From: Speaker's Office
Sent: Wednesday, September 2, 2020 8:48 AM
To: Clerks Office
Cc: Rennae Meno
Subject: M&C Fwd: GEDA Board of Directors Meeting Packet | August 20, 2020

09-02-20	8:24 AM	08-20-20	Meeting Agenda, Approved Minutes and Attachments for Board of Directors Regular Meeting held on August 20, 2020.*	Guam Economic Development Authority	35GL-20-2183

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: Wed, Sep 2, 2020 at 8:24 AM
Subject: GEDA Board of Directors Meeting Packet | August 20, 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 **August 20, 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

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Governor of Guam
I Maga'Haga Guahan

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

GUAM ECONOMIC DEVELOPMENT AUTHORITY
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MELANIE MENDIOLA
Chief Executive Officer/Administrator
Atkådi Eksekutibu Ofisiat/Atmenestradora

JOANN G. CAMACHO
Deputy Administrator
Sigundon Atmenestradora

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, August 20, 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 on Thursday, August 13, 2020 and Tuesday, August 18, 2020

AGENDA

I. Call to Order
II. Inifresi
III. Roll Call
IV. Approval of Agenda
V. Approval of Minutes
    a. July 2020 Board Meeting | July 23, 2020
VI. Chairman's Remarks
VII. CEO/Administrator's Remarks
VIII. Committee & Standing Reports - Tabled
    a. Real Property Committee
    b. Healthcare Committee
    c. Agriculture Committee
    d. Aquaculture Committee
    e. Grants
IX. Old Business
    a. Qualifying Certificate Community Contribution Grant Program Update
    b. Guam Small Business Pandemic Assistance Grant (GSBPAG) Program Update
X. New Business
    a. Guam International Airport Authority Memorandum of Understanding
    b. The Guam Brewery Corporation Qualifying Certificate Application
    c. Tax Credit Programs Policy
XI. Public Comment
XII. Adjournment

Enclosures

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JOANN G. CAMACHO
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Board of Directors Regular Meeting
Attendance Sheet
Thursday, August 20, 2020
1:30 p.m.

David J. John, Chairman	Absent
Ernesto V. Espaldon, Jr., Vice Chairman	zoom (Present via teleconference)
Gia B. Ramos, Secretary	zoom (Present via teleconference)
George Chiu, Director	zoom (Present via teleconference)
Siska Hutapea, Director	zoom (Present via teleconference)
Fe Valencia-Ovalles, Director	zoom (Present via teleconference)
Deepak Dewan, Director	Absent
Melanie Mendiola, CEO/Administrator	
Joann G. Camacho, Deputy Administrator	
Terry Brooks, Legal Counsel	zoom (Present
Rachel Taimanao-Ayuyu, Legal Counsel	Absent

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

Minutes of Regular Meeting to the Board of Directors of the
Guam Economic Development Authority
July 23, 2020

Call to Order

§1. The regular meeting of the Board of Director of the **Guam Economic Development Authority** (referred to as "GEDA" or the "Authority") was held on Monday, July 23, 2020 at the hour of 1:39 p.m. at the Guam Economic Development Authority conference room, Fifth Floor Suite 511, ITC Building Tamuning, Guam. The meeting was called to order by Chairman David John to consider several items on the agenda.

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 (via video teleconference)
George Chiu	Director (via video teleconference)
Siska Hutapea	Director (via video teleconference)
Deepak Dewan	Director
Melanie Mendiola	CEO/Administrator
Terry Brooks	Legal Counsel
Rachel Taimanao-Ayuyu	Legal Counsel
Absent and excused:	
Fe Valencia-Ovalles	Director

Approval of Agenda

§4. The first item considered was approval of the agenda. Vice Chairman Espaldon made the motion to approve the meeting agenda. Director George Chiu 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 Minutes from June 11, 2020. Vice Chairman Espaldon moved to approve the minutes. Secretary Ramos 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.

Chairman's Remarks

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

Chairman John remarks are as follows:
We continue to be in rebuilding mode as a result of the COVID19 Pandemic. The Governor's Economic Recovery Panel continues to meet regularly to work towards the full re opening of our economy.

Our Small Business Pandemic Assistance Grant has made its way through 2,187 applications. Mel can give you numbers. We are continuing to look at other ways to improve the liquidity of our small businesses through our loan programs. We have some preliminary indication that the banks are interested in offering an interest only option until 2022 under our SSBCI program. This will bring payments down for borrowers until our economy is back up and running.

Our tourism industry, which by far, has been the greatest industry affected by the COVID19 Pandemic. Many businesses in Tumon have applied for and received monies from our Pandemic Small Business Grant and we do encourage them to look into our loan programs as well.

We may be looking at a potential refinancing of the HOT Bonds which could result in a net present value savings of 19% or about $13.3 million to the Government of Guam with the savings used towards recovery efforts in Tumon. We are also working on a potential QC to give tax abatements to tourism facing businesses for job preservation. This is primarily geared towards tourism facing retailers.

As we continue to work towards diversification of industry, we have circled back with all of our committees including agriculture and the newly formed healthcare committee to really look at how we can provide opportunities for displaced workers.

In the month of August, the focus will continue to be towards recovery, encouraging those who have not yet applied for our grant to apply. Additionally, we will be launching the Qualifying Certificate Community Contribution Grant Program next week to provide support to non-profits. Lastly, I'd like to welcome our newly appointed Deputy Director, First Lady Joanne Camacho to the GEDA team. Joanne will focus on the Business Development side of the GEDA house and we look forward to her joining us.

This concluded the Chairman's remarks.

CEO/Administrator's Remarks

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

CEO/Administrator Melanie Mendiola reported information relative to the Guam Small Business Pandemic Assistance Grant Program as of July 22, 2020. (Information enclosed in July 23, 2020 Board of Directors Meeting packet.)

Executive Session

§8. The next item on the agenda was Executive Session.

Legal Counsel determined that Executive Session was not necessary to proceed with litigation business.

After further discussion, Secretary Ramos made a motion to allow authorization for GEDA's CEO/Administrator to execute settlement and mutual release in order to resolve the litigation that exists between GEDA and WSTCO Quality Feed and Supply, Inc. Director Hutapea 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.

Committee Reports

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

REAL PROPERTY COMMITTEE

Diego Mendiola, Real Property Assistant Manager made his report. (Report enclosed in July 23, 2020 Board of Directors Meeting packet.)

HEALTHCARE COMMITTEE

Director Ramos stated that patients are waiting to be placed in the community, staying at the hospital in the meantime. Services in the community and have entrepreneurs open businesses that offer those services. She further stated that the first step is to amend the law to add this service as a covered benefit under MIP and Medicaid.

CEO/Administrator Mendiola mentioned that the legislation in draft mode is to amend the local law to allow for different types of facilities, residential care facilities to accept MIP and Medicaid.

Chairman John asked if the NDAA bill regarding the H2B issue is strictly for construction or for medical as well. Secretary Gia noted that they were looking to expand the H2B for non-military but that we should seek clarification from Congressman Michael San Nicolas.

Furthermore, Director John recommended that GEDA meet with Governor Leon Guerrero to provide options for the hospital such as Private Public Partnership (PPP) or privatization.

After further discussion, this concluded the Healthcare Committee report.

AGRICULTURE AND AQUACULTURE COMMITTEE

CEO/Administrator Mendiola stated that the central focus of the committee is job creation and job replacement. She noted that the committee prepared and sent legislation to the Governor's office and will be transmitted to Senator Clynt Ridgell to add agriculture and aquaculture apprenticeships to the list of registered apprenticeships that can be claimed as tax credits.

Furthermore, CEO/Administrator Mendiola stated that other efforts of the committee include capital creation with grants under the U.S. Economic Development Administration (USEDA). She noted that the committee is working with an individual who is interested in investing $20 million in an aquaculture facility. In addition, Mr. Bobby Alvarez has been building useful information and tools to place on our website for those who are interested in investing.

Lastly, CEO/Administrator Mendiola stated that the Governor has asked GEDA to continue to lead the agriculture and aquaculture efforts. She noted that forthcoming will be an Executive Order for schools to purchase produce from local farmers and legislation from GEDA and the Department of Agriculture to make farm businesses easier to operate.

After further discussion, this concluded the Agriculture and Aquaculture Committee report.

INVESTMENT COMMITTEE

Vice Chairman Espaldon stated that the second quarter returns was almost a full recovery from the market downturn that occurred in March 2020 noting that a second quarter return of 14.6% bringing the YTD position of -4.9% compared to a loss of -17.1% as of the ending of the first quarter. He stated that the overall markets have improved from the second quarter positive returns. Furthermore, Vice Chairman Espaldon noted that we may still experience some loss going into the month of August. In addition, for the 12 months, GEDA is still at a positive 2.23% with 6.0% annual return since inception. Lastly, he stated that GEDA's allocation remains at 70% stocks and 30% bonds and cash majority in U.S. stock.

After further discussion, this concluded the Investment Committee report.

GRANTS

CEO/Administrator Mendiola stated that GEDA applied for the Guam Agriculture Master Plan but has not received a status update. Therefore, GEDA incorporated the grant for the Guam Aquaculture Industry Feasibility Study under the same budget and study which will be submitted. She noted that the Governor sent a letter to the Secretary of Commerce reaffirming her interest in diversifying our economy through Aquaculture. Furthermore, CEO/Administrator Mendiola indicated that most of the projects related were identified in CEDDS document produced last year. She confirmed that the team continues to support the Guam Visitor's Bureau and other agencies in applying for grants related to economic development.

Director Hutapea inquired about other grant initiatives, specifically technology. CEO/Administrator Mendiola stated that GEDA is exploring initiatives: (1) A site that the government owns to build cables and (2) Guam Silicon Village Park which would provide a central location for the clustering of high technology industries and support the growth of a technology ecosystem on the island. She noted that the potential sites for the projects needs to be dedicated for the project. CEO/Administrator Mendiola further mentioned that GEDA continues to work with the Chamorro Land Trust Commission (CLTC) to identify and pledge the sites for these projects.

Relative to the Hagatna Multi-Agency Facility Complex (Land Management Building) has been authorized by the legislature for a specific amount in 2011. GEDA's Real Property Division is taking the lead. GEDA's objective is to secure the grant to offset the cost. GEDA will serve as the property manager.

Vice Chairman Espaldon commended the team for perusing the various federal grant programs and requested that in moving forward to include the start date of the grant applications for tracking purposes.

After further discussion, this concluded the Grants report.

There were no further Committee Reports.

Old Business

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

The first item under Old Business was the Qualifying Certificate Community Contribution Grant Program. CEO/Administrator Mendiola stated that the target date to announce the program is August 1, 2020 and indicated that promotional data and collateral materials are forthcoming. The Qualifying Certificate Community Contribution Grant Program is the second round of the fiscal year. The $300,000 funding is coming from the Guam Regional Medical City's (GRMC) Qualifying Certificate. She noted that the program is specifically related to the effects COVID-19 has had on non-profit organizations further stating that the program will be focused on number of awards as opposed to projects with grant amounts of up to $10,000. Furthermore, she stated the SWICA report is an added requirement to define the organization's operational status and number of full-time employees. Lastly, CEO/Administrator Mendiola stated that no board action is required.

Secretary Ramos added that the Hotel Industry Committee may request for a portion of the QC funds to assist with the retraining.

After further discussion, there was no other business.

New Business

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

The first item under New Business was Resolution Number 20-12 relative to rescinding GEDA Board Resolution No. 2020-06.

Chairman John stated the Board adopted Resolution 2020-06 on January 23, 2020 relative to the Captive Insurance QC Program. He noted that parameters and protocols set in Resolution No. 2020-06 have made the program uncompetitive in the industry, specifically against Hawaii and the Federated States of Micronesia. Chairman John further stated that adjustments are being made to the program, and in the meantime, the Board of Directors and GEDA would like to rescind 2020-06 in its entirety.

CEO/Administrator Mendiola stated that in its current form, Guam is not competitive in the Captive Insurance Industry. Pohnpei has no Business Privilege Tax (BPT) and any income tax that you pay you can offset with taxes paid in your home country. She further stated that Hawaii doesn't have state taxes but are assessed federal taxes. CEO/Administrator Mendiola then noted

that if you set up a captive on Guam, you must pay BPT, income taxes, and federal taxes. Furthermore, she stated that abatement on the BPT and a rebate on income taxes will attract companies adding that under the current Captive law, there is a Public investment requirement in which we can charge a certain percentage in lieu of taxes making Guam more competitive. CEO/Administrator Mendiola noted that the GEDA Board can set a percentage per QC that makes Guam a competitive entity and at the same time, have those monies directed with the same intent of the BPT, such as the schools and the hospitals. Lastly, she indicated that Hawaii doesn't have a percentage of public investment.

Chairman John added that the percentage of public investment depends on the size of the insurance premium but can create flexibility. With smaller captives, audits will be completed locally and will have an employee requirement under the QC. Larger captives' focus will be on driving job the sector. Enticing companies and making Guam competitive in the Captive Insurance QC program.

RESOLUTION NO. 20-12

RELATIVE TO RESCINDING GEDA BOARD RESOLUTION NO. 2020-06

Vice Chairman Espaldon motioned to adopt Resolution 20-12 relative to rescinding the GEDA Board Resolution No. 2020-06. Director Dewan Secretary seconded the motion. A roll call for votes from the remaining board members in attendance was then conducted by Chairman John with Secretary Ramos and Director Hutapea voting in favor. Director Chiu abstained. Motion passed.

The next item under New Business was the Qualifying Certificate Community Contribution request from the Farmers' Cooperative Association of Guam.

CEO/Administrator Mendiola stated the Farmers' Cooperative Association of Guam is requesting for $25,000 of Qualifying Certificate funding to purchase equipment and supplies for their proposed grocery store. Mendiola disclosed that the Farmers' Cooperative Association of Guam currently has a $25,000 loan with GEDA and are delinquent in payment by four months.

After further discussion, Director Chiu motioned to approve $25,000 to the Farmers' Cooperative Association of Guam subject to the condition that their loan with GEDA is brought current. Director Hutapea 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.

Austin Grant stated that the audio was turned off at some point. Meeting was called to order at 1:39 pm and at 2:00 p.m. noticed the recorder was not turned on. He further recommended to Memo to file. Chairman John advised circulating the minutes.

There was no further business discussed.

Public Comments

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

No public comments were made.

Adjournment

§13. After further discussion there was a recommendation to adjourn the meeting. On motion duly made by Director Chiu and seconded by Director Dewan. A roll call was then conducted by Chairman John to obtain votes from the remaining members in attendance. A unanimous approval of motion followed.

for

DAVID JOHN, Chairman
Board of Directors

ATTEST:

GIA RAMOS, Secretary
Board of Directors

GUAM SMALL BUSINESS PANDEMIC ASSISTANCE GRANT

GRANT AWARDS AS OF: **7/22/20 5:04 PM**

	Applications Reviewed		
	Approved	**Ineligible**	**TOTAL**
Series 1	1094	133	**1227**
Series 2	732	130	**862**
	1826	**263**	**2089**

Number of Apps Submitted to DOA	**1410**
Amount Awarded	**$ 6,397,692.42**
Number of Apps Approved	**1858**
Approvals Amount	**$ 8,104,746.05**
Series 1 (Approved) Amount	**$ 1,986,026.11**
Series 2 (Approved) Amount	**$ 6,118,719.93**
Average Grant Award Amount:	**$ 4,362.08**
Total Grant Awards under $50:	**24**
Total Grant Awards between $25k-$30k	**34**
Remaining Funds (out of $12mill):	**3,895,253.95**

Doc. No. 35GL-20-2183.*

GUAM SMALL BUSINESS PANDEMIC ASSISTANCE GRANT
SERIES 3

GRANT AWARDS AS OF: **7/22/20 4:48 PM**

Number of Apps **ENTERED:** **92**

	Applications Reviewed		
	Approved	**Ineligible**	**TOTAL**
Series 3	90	8	**98**
	90	**8**	**98**

Number of Apps Submitted to DOA **62**

Amount Awarded **$ 2,799,811.88**

Number of Apps Approved **82**

Approvals Amount **$ 3,749,078.87**

Average Grant Award Amount: **$ 45,720.47**

Remaining Funds (out of $ 6 mill): **2,250,921.13**

Doc. No. 35GL-20-2183.*

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COMMITTEE

August 2020
Real Property

CENTRAL ISSUE

CLTC
- Current Rules and Regs create additonal challenges to secure new lease revenue

GALC
- New actions on hold till 5 new commissioners can be confirmed

Navy Excess Lands
- GEDA RPD Assisting Gov Office

OTHER NEWS AND UPDATES

- Continuing to support Governor's Initiatives on Potentially Releasable Federal Lands. Navy responded July 31, 2020 and agreed to small (less than 10%) portion of Gov's request for returned land.

- Dan Swavely representing Smith Bridge and Hawaiian Rock expressing interest in GALC Andy South property for mining purposes as well as CLTC Lajuna Point for same

- CLTC to stand up new Subcommittee to collaborate w GEDA on initiatives and programs

- 4 GALC Commisioners went through Legislative confirmation hearings Aug 7. Empanelment pending Legislative vote.

KEY MEETINGS

CLTC - Aug 12, 2020 Mtg w Director Hattig

GALC - Aug 5, 2020 Mtg w Director John Burch and Dan Swavley

Governor - Aug 3, 2020 Mtg w Gov, Lt Gov, COS, DLM (Joe Borja), Buildup Office (Vera Topasna), Joint Region (Carlotta LG), GEDA COE, GEDA Deputy and RPD Assistant Manager

ACTION ITEMS

- Continue support of Governor Initiatives as directed on Navy Excess Lands

- Real Property to support GALC and CLTC on local aggregate companies' interest in their respective properties

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COMMITTEE

HEALTHCARE INDUSTRY

CENTRAL ISSUE

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.

Current Numbers (May 2019):
Practitioners & Technical Occupations - 2K (Goal 4K)
Healthcare Support Occupations - 1K (Goal 3K)

Assisted Living: Shortage of support facilities resulting in high costs as only "Nursing Homes" are allowable under current law

OTHER NEWS AND UPDATES

Staff provided draft legislation and example of CA Assisted Living Manual to Sen Terlaje and are working with Ms Joyce (staffer) on way forward however, Terlaje office currently occupied with GovGuam FY21 Budget

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

August 6, 2020 Melvin Tabilas met with Senator Terlaje to discuss major points of draft legislation to amend existing Nursing Home law to allow for all " other" types and levels of "assisted living" facilities.

ACTION ITEMS

Continue collaboration w Sen Terlaje's office on Assited Living Legislation

Encourage UOG and GCC to apply for grant funding via GEDA grant programs to support equipment and supply procurement for healthcare workforce training

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.

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COMMITTEE

AGRICULTURE

GEDA COMMITTEE REPORT

CENTRAL ISSUE

Guam's high dependency on the importation of agriculture products creates a need to grow and develop the local agriculture into a sustainable industry and reduce imports.

GEDA initiatives:
1. Expand and build agriculture assets
2. Workforce development
3. Private investment initiatives

OTHER NEWS AND UPDATES

- Governor proclaimed August 2nd-8th as Guam's Farmers Market Week

KEY MEETINGS

- 7/29 - At request of Lt. Gov, met with DOAG to discuss Amortized System Development Charge for farmers
- 7/29 - Visited UOG microfarm and met with Dr. Barber to discuss potential for microfarm and aquaculture initiatives
- 8/12 - Deputy Administrator visited the UOG microfarm and met with Dr. Barber to follow up on discussion for potential for microfarm and aquaculture initiatives

ACTION ITEMS

- Submitted additional information requested by EDA for the Green Markets Facilities grant
- Submitted additional information requested by EDA for the Aquaculture Industry Feasibility Study grant
- As a result of GEDA CRA recommendation, DOAG is developing a Bank of Guam Farmer's System Development Charge Program to subsidize SDC for farmers

TRIP REPORT

ACTION ITEMS CONTINUED:
- Ongoing conversations being held with DOAG and Sen. Clynt Ridgell regarding potential mobile slaughterhouse project/grant application
- Ongoing research on Agricultural Strategic Plans from other states/jurisdictions for potential initiatives to replicate locally
- Ongoing conversations being held with NeighborWorks America, Rural Community Assistance Corporation, and USDA Rural Development regarding the application of USDA Section 502 Direct Loan Program on CLTC land
- Ongoing conversations being held with Rural Community Assistance Corporation regarding potential partnership to build water infrastructure on CLTC land
- GEDA collaborating with DOAG on draft legislation for the Governor's "Gualo Bill" including honey producers' exemptions from public health sanitary permit requirements and GRAP incentives for the agriculture/aquaculture industries

AUGUST 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 and on imports. Guam also needs an additional industry.

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

OTHER NEWS AND UPDATES

• Deputy Camacho joined GEDA 8/3
* Grant application for Aquaculture Economic and Feasibility Study submitted to DOC-EDA on 7/23/2020. Additional information submitted on 8/4/2020.

KEY MEETINGS

* 7/29 UOG site visit w/ Dr. Barber discussed aquaculture and agriculture mini farms.
*8/4 Task Force Meeting (see additional Notes)
* 8/11 task Force meeting (see additional notes)
* 8/12 additional site visit at the request of Deputy Camacho to familiarize herself with ongoing aquaculture efforts. Bobby to follow up on meetings with Dr. Lee Yudin/Kathleen Moore/UOG Hatchery

ACTION ITEMS

* 6/28 Task Force agreed to weekly Tuesday meetings
* 7/4 Task Force to Develop Status Report by September 30th to establish history of aquaculture farms on Guam.
* 7/11 Task force to Identify Current aquaculture farms in operation, who are the players, what are they producing?
Identify what is easiest and profitable stocks to raise.
Identify what are the challenges that prevent aquaculture farms.

TRIP REPORT

Action Items continued:
Task Force will be meeting every Tuesday at 11am, GEDA conference room. Attendance has been very minimal and need to have heavier participation.
Important items: 1) Create initiatives for backyard mini aquaculture farms. Develop training program and identify costs of mini farms for individual family sustainability. 2) Identify who is doing aquaculture today? What policies if any, did they adhere to? 3) identify what stocks are easiest to raise. What is easiest for families to raise and maintain? 4) Identify if the government can subsidize land to support the program. 5) Explore large aquaculture industry for Guam. How can we engage with investors and or, venture into a public private partnership?

AUGUST 2020

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GEDA FEDERAL GRANT PROJECTS
(Updated 8/12/20)

PROJECT TITLE	PROJECT DESCRIPTION	GRANT	FUNDING SOURCE	REQUESTED AMOUNT	GEDA ALLOCATION	STATUS	COMMENTS	
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	$199,775	$51,150	SUBMITTED - 7/23/20	Submitted additional information requested by EDA - 8/4/20	1
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	1
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		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	Submitted additional information requested by EDA - 8/3/20	1
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	Received building design plan from DLM to complete application	3
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		3
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		4
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		4
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	Completion of application dependent on the availability of funds for a design and engineering plan	4
Commercial Port - Cabras Island	Design and construct infrastructure improvements	FY 2019 EDA Disaster Supplemental	DOC - EDA	TBD	TBD	Draft in progress	Completion of application dependent on the availability of funds for a design and engineering plan	4
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	Completion of application dependent on identification of potential project site	4
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	Completion of application dependent on the availability of funds for a design and engineering plan	4
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		5

Doc. No. 35GL-20-2183.*

GRANT PROGRAM APPLICATION - NPO

1 | Applicant Information

GUAM ECONOMIC DEVELOPMENT AUTHORITY
Qualifying Certificate Community Contribution GRANT PROGRAM

GEDA continues to encourage recipients of its Qualifying Certificate ("QC") Program to give back to our local community by generously funding annual grants to be used to support various activities, events and endeavors that will benefit our island community. The following QC beneficiaries are currently providing such funding: Guam Regional Medical City & TNN Guam dba Tsubaki Hotel. **All grants are discretionary and subject to the availability of funds.**

The Qualifying Certificate Community Contribution Grant Program is exclusively for **NON-PROFIT ORGANIZATIONS**.

1A	**Date of Application:**	
1B	**Legal Name of Non-Profit Organization:**	
1C	**Funding Request Amount:**	
1D	**Year Founded:**	
1E	**Address:**	

1F	**Phone Number:**	
1G	**Email Address:**	
1H	**Website:**	

1I	**Social Media Accounts**	
	FaceBook	
	Instagram	
	Twitter	

1J	**Tax Identification Number/Employer Identification Number (EIN):**	
	Attach the following documents to the grant application packet when submitting.	
	☐ 501(c) Certificate ☐ Recent Form 990	

1K	**President/Executive Director Information**	
	Name *(Last, First)*:	

1L	**Grant Point of Contact Information**	
	Name *(Last, First)*:	
	Phone Number:	
	Email Address:	

1M	**Select all categories this grant will be used for:**	☐ Cultural Preservation ☐ Economic Development
		☐ Health Care ☐ Higher Education ☐ Public Safety ☐ Sports Tourism ☐ Tourist Attraction/Project

GRANT PROGRAM APPLICATION - NPO

1 | Applicant Information

1N **Mission Statement**

1O **Summarize Organization & History**

1P **Briefly explain Use of Funds**

GRANT PROGRAM APPLICATION - NPO

2 | Use of Funds

GUAM ECONOMIC DEVELOPMENT AUTHORITY
Qualifying Certificate
Community Contribution
GRANT PROGRAM

Organizational/Project(s) Budget		
Category	**Description**	**Estimated Cost**
Administrative Costs		
		$ -
		$ -
	SUB TOTAL	$ -
Development/Training		
		$ -
		$ -
	SUB TOTAL	$ -
Equipment/Supplies		
		$ -
		$ -
		$ -
		$ -
	SUB TOTAL	$ -
Construction/Professional Services		
		$ -
		$ -
	SUB TOTAL	$ -
Lease/Rental Payments		
		$ -
		$ -
	SUB TOTAL	$ -
Marketing & Promotion		
		$ -
		$ -
	SUB TOTAL	$ -
Other Expenses/Expenses *continued*		
		$ -
		$ -
		$ -
		$ -
		$ -
		$ -
		$ -
	SUB TOTAL	$ -
	TOTAL EXPENSES	$ -
NOTES		

GRANT PROGRAM APPLICATION - NPO

3 | Need for Assistance

GUAM ECONOMIC DEVELOPMENT AUTHORITY
Qualifying Certificate
Community Contribution
GRANT PROGRAM

NEED FOR ASSISTANCE
1) Briefly explain the need to receive grant funds from the Qualifying Certificate Community Contribution Grant Program.

COVID-19 IMPACT
2) How has COVID-19 impacted your non-profit organization?

SIGNATURE **DATE**

PRINT NAME AND TITLE

MEMORANDUM OF AGREEMENT
BETWEEN THE
A. B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM (GIAA)
AND THE
GUAM ECONOMIC DEVELOPMENT AUTHORITY

This **MEMORANDUM OF AGREEMENT** (**MOA**) is entered into by and between the **A. B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM** (hereinafter referred to as "**GIAA"**), a public corporation and an autonomous instrumentality of the Government of Guam, whose address is P.O. Box 8770, Tamuning, Guam 96931, and the **GUAM ECONOMIC DEVELOPMENT AUTHORITY**, (hereinafter referred to as "**GEDA**") ~~Guam~~, a public, non-profit corporation of the Government of Guam, whose address is 590 S. Marine Corps Dr. Suite 511 ITC Building, Tamuning, Guam 96913. (GIAA and GEDA are sometimes referred to herein collectively as the "Parties," and each individually as a "Party")

RECITALS

WHEREAS, GEDA is authorized pursuant to 12 G.C.A. § 50103(a) to assist in the implementation of an integrated program for the economic development of Guam and act as a catalyst for the economic development of the island of Guam; and

WHEREAS*,* GEDA is further authorized pursuant to 12 G.C.A. § 50103(b) to control and implement that part of the basic plan for the economic development of Guam, assigned to it by the Governor of Guam; and

WHEREAS, GEDA has administered the planning and implementation of multiple economic development projects utilizing its resources and expertise in areas of Real Property Planning, Capital Raising, and program management; and

WHEREAS, GIAA links the island of Guam to regional, national, and international markets and GIAA and GEDA recognize that investment in aviation infrastructure is essential to economic development, job creation, attracting investment, and creating new industries for the local economy; and

WHEREAS*,* airports worldwide are entering into various levels of public-private strategic partnerships for the purpose of accessing private capital to upgrade aviation infrastructure and system capacity, and to improve passengers' airport experience; all at minimal expenditure of government resources. GEDA and GIAA recognize the need to study the costs and benefits associated with entering into various types of public-private partnership arrangements and are hereinafter referring to this as the **"GIAA Strategic Partnership Project"**; and

WHEREAS, there exists the need to hire a consultant or consortia of consultants (the "Selected Consultant") with expertise in a diversity of disciplines who are readily able to advise, support, and collaborate with GEDA and GIAA in multiple areas, including, but not limited, to the following: air transport infrastructure planning, in-terminal concession planning, leasing

airport property, project management, economic planning analysis, business planning and studies, capital planning, and other professional advisory services as requested by GIAA; and

WHEREAS, GIAA has identified the need to retain the services of GEDA to hire and administer work performed under GIAA Strategic Partnership Task Orders ("GIAA-TOs") assigned; and

WHEREAS, the fees and expenses for services to be provided under this MOA, including fees and expenses of the Selected Consultant and GEDA's Management Fee and expenses, shall not exceed $285,000 for the Initial Term ("Project Costs").

NOW, THEREFORE IN CONSIDERATION of the mutual covenants contained herein, the Parties hereby AGREE as follows:

SECTION 1. GEDA RESPONSIBILITIES.

General Consultancy and Management Services to be provided by GEDA. Within the scope of services to be provided by GEDA and the Selected Consultant on behalf of GIAA, GEDA agrees to:

A. Coordinate procurement of the Selected Consultant including, but not limited to, negotiation of professional services and GIAA-TOs on behalf of GIAA with the Selected Consultant.
B. Monitor and manage the scope of work, timelines and deliverables provided by the Selected Consultant, and provide periodic updates to the GIAA Board of Directors on the status of GIAA-TOs as necessary or as may be requested by GIAA management or the GIAA Board.
C. Attend meetings with the Selected Consultant and GIAA on GIAA-TO updates when necessary or when requested by GIAA or the GIAA Board.
D. Provide the GIAA Board of Directors with quarterly performance reports and invoices to the GIAA Executive Manager for the Selected Consultant's work on GIAA-TOs.
E. Submit any changes to the Selected Consultant's Scope of Work or any requests for time extensions, together with justification, to GIAA for approval by the Executive Manager of GIAA.
F. Provide GIAA with the requested deliverables and ensure that a disclaimer statement, if requested by GIAA, appears on the title page of any study prepared under this MOA. Any such requested disclaimer statement shall be provided by GIAA.
G. Provide any other management and consultancy services reasonably related to the services listed in this MOA.
H. Comply with the laws of Guam and all federal rules and regulations.

SECTION 2. GIAA RESPONSIBILITIES.

Cooperation by GIAA. GIAA shall do the following to assist GEDA in performing the services set forth in this MOA:

A. Provide recommendations to GEDA with regard to the services required under the scope of this MOA.
B. Participate in the negotiations with the Selected Consultant on GIAA-TOs.
C. Work with the Selected Consultant on task order updates and participate in meetings.
D. Review all reports or deliverables submitted by GEDA and the Selected Consultant.
E. Provide or reimburse GEDA for legal costs incurred by GEDA as necessitated by this MOA including the procurement of consultants, preparation of contracts and amendments and the interpretation of laws and regulations that may apply to the tasks under this MOA, but excluding litigation costs. Such legal costs shall not exceed Twenty-Five Thousand Dollars ($25,000) for the Initial Term.
F. Execute all other documents necessary for GEDA to carry out the services listed in this MOA.

SECTION 3. PAYMENT FOR SERVICES.

A. GEDA shall submit monthly Management Fee invoices to GIAA for payment. Such Management fee shall not exceed 14% of a negotiated GIAA-TO amount. The Management Fee shall be paid by GIAA within 30 days of receipt of an invoice from GEDA.
B. GEDA shall also submit monthly invoices for payment for services from the Selected Consultant to GIAA. Invoices shall be paid according to the terms of the contract between GIAA and the Selected Consultant.
C. GIAA shall reimburse GEDA for the actual cost of reasonable expenses incurred by GEDA and directly associated with the work prescribed under this MOA. Said reimbursements shall not exceed Ten Thousand Dollars ($10,000) for the Initial Term. GEDA shall submit invoices seeking reimbursement of such expenses, which invoices shall be accompanied by documentation supporting the requested reimbursement.
D. In no event shall any fees or expenses to be paid by GIAA under this MOA, including, but not limited to, fees of the Selected Consultant, GEDA's Management Fee, and GEDA's legal costs, exceed the Project Cost. GIAA shall not be obligated to pay any fee or expense exceeding the Project Cost unless prior written approval is obtained from the GIAA Board Chairman or such person designated by the Board Chairman in writing, and shall be subject to certification of availability of funding.

SECTION 4. TERM.

This MOA shall remain in effect for an initial term of 12 months from the effective date ("Initial Term") and may be renewed at the expiration of the initial term for one additional term of 12 months, subject to mutual agreement of the Parties in writing and the certification of availability of funds. Payment for work done during any extended term shall come from the original budgeted amount unless the budget is increased by the GIAA.

SECTION 5. NOTICES.

Unless during the term of this MOA a Party notifies the other party in writing of a change or other address to be used, any legal notices shall be sent by certified mail or by personal delivery, with receipt verified, to the Parties at the following address:

A. B. WON PAT INTERNATIONAL AIRPORT AUTHORITY
Attn: Executive Manager
P.O. Box 8770
Tamuning, Guam 96913

GUAM ECONOMIC DEVELOPMENT AUTHORITY
Attn: CEO/Administrator
590 S. Marine Corps Drive, Suite 204
Tamuning, Guam 96913

SECTION 6: GENERAL COMPLIANCE WITH LAWS AND FEDERAL GRANT REGULATIONS

The Parties agree to comply with all applicable Guam and federal laws, rules and regulations. The Parties acknowledge that any failure to comply may lead to sanctions including the immediate termination of this MOA, fines or penalties, exclusion or suspension from participating in further federal assistance programs and activities and/or criminal charges. This MOA and any payments or reimbursements made hereunder are subject to audit, including but not limited to, audit by the Guam Department of Administration (DOA), the federal grantor and the Office of Public Auditor of Guam (OPA).

SECTION 7. OWNERSHIP OF DOCUMENTS.

All documents or deliverables retained and/or created in furtherance of this MOA by GEDA and/or the Selected Consultant shall remain the property of GIAA

SECTION 8. CHANGES.

Any and all changes to this MOA shall be negotiated between GIAA and GEDA and shall be set forth in a writing duly executed by authorized representatives of the Parties.

SECTION 9. TERMINATION

At any time during the initial term or extended term, either Party can elect to terminate this MOA if either Party provides the other with a written notice of termination no later than thirty (30) days prior to the termination date. Upon termination of this MOA, all products resulting from this MOA shall be transferred by GEDA to GIAA and all transactions including any outstanding payments shall be concluded.

SECTION 10. WARRANTY AGAINST EMPLOYMENT OF SEX OFFENDERS.

The Parties warrant that no person in their employment who has been convicted of a sex offense under the provisions of Chapter 25 of Title 9 of the Guam Code Annotated, or of an offense defined in Article 2 of Chapter 28 of Title 9 of the Guam Code Annotated, or who has been convicted of an offense with the same elements as heretofore defined in any other jurisdiction, or who is listed on the Sex Offender Registry shall provide services to the Parties while on Government of Guam property. If any employee of the Parties is providing services on government property and is convicted subsequent to this MOA, then the employing Party warrants that it will notify the other Party of the conviction within twenty-four (24) hours of the conviction, and will remove immediately such convicted person from providing services on government property. If the Parties are found to be in violation of any of the provisions of this paragraph, then the violating Party shall take corrective action within twenty-four (24) hours notice, and the violating Party shall notify the other Party when the corrective action has been taken.

SECTION 11. TIME IS OF ESSENCE

Time is of essence concerning the provisions of this MOA.

SECTION 12. APPLICABLE LAW/VENUE

This MOA is made under and shall be governed and construed in accordance with the laws of Guam, and the courts of Guam shall have jurisdiction over any and all disputes.

SECTION 13. WAIVER

The failure of either Party to insist upon strict compliance with any term, provision, or condition of this MOA shall not be construed as a waiver of either Party's rights and remedies under this MOA.

SECTION 14. SEVERABILITY

If any provision of this MOA shall be deemed by a court of competent jurisdiction to be invalid or unenforceable, then such provision shall be deemed stricken and the MOA shall be enforced according to its valid and subsisting terms and provisions.

IN WITNESS HEREOF*, the Parties have executed this Memorandum of Agreement effective August 1, 2020.*

A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM

By:_____
JOHN "JQ" M. QUINATA
Executive Manager

Date:_____

GUAM ECONOMIC DEVELOPMENT AUTHORITY

By:_____
MELANIE MENDIOLA
CEO/Administrator

Date:_____

A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM

By:_____
BRIAN J. BAMBA
Chairman, Board of Directors

Date: _____

GUAM ECONOMIC DEVELOPMENT AUTHORITY

By:_____
DAVID JOHN
Chairman, Board of Directors

Date: _____

A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM
Certifying Funds Available

By:_____
JOHN RIOS
CERTIFYING OFFICER

Date: _____

Overview – Application for a Qualifying Certificate for a Manufacturer
APPLICANT: The Guam Brewery Corporation
Case Number: 19-06-01

Business Information

Type of Manufactuerer:	Craft beer brewery
Location:	Harmon, Guam (behind the San Miguel Building)
Project Investment:	$1,000,000
Jobs created:	3 FTE in year one
Estimated payroll:	$95,935 (year one), $252,480 (year five)

Project Synopsis

The Guam Brewery (TGB) will be Guam's first commercial scale craft beer manufacturing business dedicated to developing and selling locally made craft beer to residents, tourists and the military. TGB aims to position itself at a level to compete with imported craft beer brands. They have the goal to become "Guam's Beer" and to become the most popular craft beer in Guam. TGB has also obtained a Guam Product Seal.

This is the first QC application from a manufacturer that GEDA has received in decades. There currently exists a very small craft brew industry, so GEDA does not anticipate that TGB will adversely impact existing markets and businesses. On the other hand, GEDA believes that the success of TGB has the potential to spur even more activity and opportunity in this industry.

Recent conversations with TGB informed GEDA that some of the decrease in business from the visitor market has been offset by increased sales to the military. Moving forward, the promotion of manufacturing is a key component of diversifying and strengthening the island economy. TGB activities result in a modern manufacturing operation that creates a quality product for local consumption and also increases the quality of Guam's image as a more established visitor market.

Guam Brewery's Requested Tax Benefits:	75% corporate income tax for 20 years; 75% income tax rebate on dividends for 5 years; 100% business privilege tax for 10 years;

Credit Review Committee RECOMMENDATION	
Tax Benefits Recommended:	75% corporate income tax for 20 years; 75% income tax rebate on dividends for 5 years; and NO BPT – BPT law already provides exemptions for wholesalers and manufacturers of alcoholic beverages in Guam *[see 11 GCA §26203(h) and §26203(k)(22)*;
Public Investments Recommended:	$2,500 for years 1-10 of QC, followed by $4,000 for years 11-20 of QC. 100% of funds allocated to GEDA for marketing services, collateral and materials.

Specific findings on application as required by the QC law *(see 12 GCA §58105)*

1) **Creation of Employment (§58105.1) – Yes**.
    a) The Brewery will create a minimum of three (3) direct employees.
2) **Replacement of imports (§58105.2) – Yes.**
    a) The manufacture and sale of locally brewed craft beer directly competes with current imports of craft beer. As indicated in their application, they aim to capture two percent (2%) of the local craft beer market within two (2) years of operation. If this occurs, it will lead to a decrease in the import of craft beers.
3) **Creation of economic activity (§58105.5) - Yes.**
    a) Any new manufacturing facility of this scale in Guam is a significant investment that creates economic value to Guam. There is currently no other local manufacturer of beer in Guam that is aiming for the volume and economics of scale as the Brewery. This makes their project a significant investment into the local economy.

END