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M&C Fwd: GEDA Board of Directors Meeting Packet | October 22, 2020

1 message

Speaker's Office <speaker@guamlegislature.org> Mon, Oct 26, 2020 at 3:51 PM
To: Clerks Office <clerks@guamlegislature.org>
Cc: Rennae Meno <rennae@guamlegislature.org>

10/26/20	3:26 PM	10/22/20	Reporting Requirement for Boards and Commissions- Agenda, Minutes, and other Documents for Board of Directors Regular Meeting held on October 22, 2020.*	Guam Economic Development Authority	35GL-20-2334

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: Mon, Oct 26, 2020 at 3:26 PM
Subject: GEDA Board of Directors Meeting Packet | October 22, 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 **October 22, 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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October 2020 BODM Packet_FINAL.pdf
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REGULAR BOARD OF DIRECTORS MEETING

Thursday, October 22, 2020
1:30 p.m.
GEDA 5th Floor GITC Building
Ste. 511, 590 South Marine Corps Drive
Tamuning, Guam 96913

LOURDES A. LEON GUERRERO
Governor of Guam
I Maga 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
Atkådi Eksekutibu Ofisiat/Atmenestradora

JOANN G. CAMACHO
Deputy Administrator
Sigundon Atmenestradora

Board of Directors Regular Meeting
Attendance Sheet
Thursday, October 22, 2020
1:30 p.m.

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

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I Maga'Haga Guahan

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

DATE: Thursday, October 22, 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, October 15, 2020 and Tuesday, October 20, 2020.

AGENDA

I. Call to Order
II. Inifresi
III. Roll Call
IV. Approval of Agenda
V. Approval of Minutes
   a. September 2020 Board Meeting | September 17, 2020
VI. Vice Chairman's Remarks
VII. CEO/Administrator's Remarks
VIII. Committee & Standing Reports
   a. Investment Committee
   b. Real Property Committee
   c. Healthcare Committee
   d. Agriculture Committee
   e. Aquaculture Committee
   f. Communications Report
   g. Grants Report
IX. Old Business
   a. Qualifying Certificate Community Contribution Grant Program Update | Resolution No. 21-01
   b. Guam Small Business Pandemic Assistance Grant (GSBPAG) Program Update
X. New Business
   a. Approval to Commence Negotiation and Award for RFP 20-006 | Proposed Financing for the Chalan Pago-Ordot Municipal Planning Council for the Construction of a Multi-purpose Recreation/Emergency Center
   b. Healthcare System Stabilization Grant Program SOP | Resolution No. 21-02
XI. Public Comment
XII. Adjournment

Enclosures

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Minutes of Regular Meeting to the Board of Directors of the
Guam Economic Development Authority
September 17, 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 Thursday, September 17, 2020 at the hour of 1:43 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 Vice Chairman Ernesto Espaldon, Jr. 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 Vice Chairman Espaldon, the following individuals were present:

Directors:	***Offices or Positions:***
David John	Chairman (via video teleconference)
Ernesto Espaldon, Jr.	Vice Chairman
Gia Ramos	Secretary (via video teleconference)
George Chiu	Director (via video teleconference)
Siska Hutapea	Director (via video teleconference)
Melanie Mendiola	CEO/Administrator
Joann G. Camacho	Deputy Director
Terry Brooks	Legal Counsel (via video teleconference)
Absent and excused:	
Fe Valencia-Ovalles	Director
Deepak Dewan	Director

Also in attendance were:

Edward Camacho	GEDA
Christina Garcia	GEDA
Bernice Torres	GEDA
Yong Pak	GEDA
Jennifer Calvo-Guzman	GEDA
Claire Cruz	GEDA (via video teleconference)
Diego Mendiola	GEDA (via video teleconference)
Mary Camacho	GEDA (via video teleconference)
Anumita Kaur	Pacific Daily News (via video teleconference)
Morgan Legel	Glimpses of Guam (via video teleconference)
Erin Grajek	Office of Senator Clynt Ridgell (via video teleconference)

Approval of Agenda

§4. The first item considered was approval of the agenda. Secretary Gia Ramos 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 Vice Chairman Espaldon, which was unanimously approved.

Approval of Minutes

§5. The next item on the agenda was the Approval of Minutes from August 20, 2020. Director Chiu 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 Vice Chairman Espaldon, which was unanimously approved.

Chairman's Remarks

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

Vice Chairman Espaldon stated that he will conduct the meeting and noted that Chairman David John is present via teleconference. He stated that there are several items on the agenda to consider. Furthermore, he informed all present that the GEDA office remains closed due to Pandemic Condition of Readiness 1. He then provided an update on several items/programs.

Firs, Vice Chairman Espaldon reminded all present that GEDA's Qualifying Certificate Community Contribution Grant Program, a grant for non-profit organizations, was announced in August and that the application deadline was extended to Friday, September 11, 2020 further stating that the

Compliance department has been intaking applications and prepping for evaluation and an update will be made once available.

Second, Vice Chairman Espaldon informed all that the Guam Small Business Pandemic Assistance Grant Program has processed 2,244 applications with $16 million awarded. He highlighted that in the previous months, applications slowed down significantly, but that between the August board meeting and today's board meeting, $1.2 million was awarded to small businesses.

Third, Vice Chairman noted that the GEDA committees remain active and the Aquaculture Committee, in particular, have been meeting regularly. He further noted that Committee Reports will be tabled and recommended that Board of Directors read the Committee reports provided in their packet.

Next, Vice Chairman Espaldon updated all that GEDA is in the process of a refinancing for John F. Kennedy High School and that the Public Finance team is going through the usual process of rating meetings, investor meetings, etc. In addition, the team is working on the RFP financing for Ordot-Chalan Pago Mayor's Office Project for a Multi-Purpose Center.

Lastly, Vice Chairman Espaldon informed all that GEDA's Administrative Services Manager, Bernice Torres, has decided to retire further noting that a board resolution has been prepared. He conveyed his heartfelt thanks to Mrs. Torres for her 31 years of service further stating that her service has been meaningful and thanked her for keeping the GEDA books clean. Vice Chairman wished Mrs. Torres the best.

RESOLUTION NO. 20-16

RELATIVE TO RECOGNIZING, COMMENDING, AND CONGRATULATING MRS. BERNICE Q. TORRES FOR EXEMPLARY SERVICE WHILE EMPLOYED AT THE GUAM ECONOMIC DEVELOPMENT AUTHORITY

Director Chiu motioned to adopt Resolution No. 20-16 relative to recognizing, commending, and congratulating Mrs. Bernice Q. Torres for exemplary service while employed at the Guam Economic Development Authority. Director Siska Hutapea seconded the motion. A roll call for votes from the remaining board members in attendance was then conducted by Vice Chairman Espaldon. A unanimous approval of motion followed.

This concluded the Vice Chairman's remarks.

CEO/Administrator's Remarks

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

There were no remarks from CEO/Administrator.

Committee Reports

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

Director Hutapea moved to table Committee Reports. Secretary Ramos seconded the motion. A roll call for votes from the remaining board members in attendance was then conducted by Vice Chairman Espaldon. A unanimous approval of motion followed.

Old Business

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

The first item under Old Business was the Qualifying Certificate Community Contribution (QCCC) Grant Program.

CEO/Administrator Mendiola stated that the QCCC Grant program received 101 downloads with 56 applications submitted and further noted that applications will undergo evaluation and seek the board's ratification during the October board meeting.

The second item under Old Business was the Guam Small Business Pandemic Assistance Grant (GSBPAG) Program.

CEO/Administrator Mendiola informed the Board of Directors and all present that applications slowed down in June and July. She noted that of the $20 million that was initially set for the grant, $16 million will remain with GEDA and the other $4 million will be directed into the general pot and the Governor will decide how to use the remaining funds. CEO/Administrator noted that as of September 15, 2020, the GSBPAG team has processed 2,247 applications with a total award of $15,926,554.00.

CEO/Administrator Mendiola noted that beginning in September, GEDA provided a short form, in place of the actual application, on our website for businesses who had not applied since the program's launch in May. She noted that the short form would allow businesses to be placed on a waitlist, and GEDA would estimate the potential award amount, and then submit a request to the Governor for additional funding. Furthermore, she informed all that there has been a spike in applications since Pandemic of Readiness (PCOR) 1 was set in mid-August.

Director Hutapea stated that the increase in applications from August to present is indicative that businesses are suffering from the second shutdown. Chairman David John noted that as a reason GEDA is providing the short form and to request for funding to be reinstated. Director Hutapea and Secretary Ramos agreed with Chairman John. Secretary Ramos adding that there are not too

many funding opportunities or relief for small businesses who are suffering from the lockdown and inquired if businesses who already applied and received the grant will be allowed to apply a second time due to the current PCOR 1 status and if GEDA administrative cost has been considered. CEO/Administrator Mendiola noted that under the current Executive Order, the funding is directly for small businesses. She also mentioned that GEDA has requested for supplemental funding for fees incurred that were not budgeted in GEDA's FY 2020 Budget. Director Chiu stated that the initial grant was completed when the island went back into PCOR 3 in May and added that if the remaining $4 million is available, it should go to small business noting that we need to come up with assistance for them. CEO/Administrator Mendiola noted that the second shutdown in August prompted additional businesses who did not initially apply from May to July to now apply. Furthermore, she noted that we are now in the month of August and September and is there enough money to provide a meaningful second round of funding? GEDA is an advocate for funding to go to small businesses.

CEO/Administrator Mendiola stated that the remaining money under the CARES Act is to be used at the Governor's discretion so long as it's in line with the CARES Act such as for Public Health, public safety, etc. She further noted that the $20 million dollars was never transferred to GEDA and that GEDA would have to request for additional funding. Chairman John recommended that GEDA officially request for additional funding due to the need of small businesses affected by the current PCOR 1 status. Vice Chairman Espaldon agreed.

After further discussion, there was no other business.

New Business

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

The first item under New Business was the GEDA staff recommendation to increase the budget for legal fees.

Diego Mendiola, GEDA Real Property Assistant Manager gave the board members an update and background on the lawsuit that Inland Builders Corp (IBC) has filed against GEDA. He further noted that Attorney Tom Fisher has been working to defend GEDA's interest. Mr. Mendiola informed the board and all present that GEDA has paid about $186,000 in legal expenses related to the case and that Attorney Fisher is holding an invoice for $85,000 in legal fees for the special witness whose testimony is considered "absolutely essential" to GEDA defense. Mr. Mendiola indicated that the discovery phrase is coming to an end and will move into the motion phase. Furthermore, he noted that Attorney Fisher will move for summary judgement and dismissal. Mr. Mendiola also stated that if the dismissal is not granted and the case moves into a trial phrase, GEDA would need to increase the legal fees as it will exceed the $250,000 previously authorized by the board. Mr.

Mendiola then stated that GEDA is requesting the board's approval to authorize the CEO/Administrator to allocate an additional $100,000 to the $250,000 already approved to reimburse Attorney Fisher for legal expenses incurred thus far.

CEO/Administrator Mendiola noted that in the past, administrative fees were collected under the HOT Bond further noting that there has been little Hot Bond activity to collect for administrative costs such as legal expenses. She mentioned that GEDA will continue to seek reimbursement, but that board action is necessary as GEDA could be presented with additional invoices.

After further discussion, Secretary Ramos made a motion to approve legal expenses under the HOT Bond up to $400,000.00. Director Chiu seconded the motion. A roll call was then conducted by Vice Chairman Espaldon to obtain votes from the remaining members in attendance. A unanimous approval of motion followed.

The second item under New Business was the John F. Kennedy (JFK) Certificates of Participation (COPs) Refinancing.

Christina Garcia, Public Finance Manager gave a background of the 2010 JFK Lease Certificates of Participation (COPs). She stated that in 2010, the government of Guam entered into a lease with CaPFA Capital Corp. 2010A to finance the new JFK High School with $65.735 million of COPs and further noted that the financing runs through FY 2041. Ms. Garcia further stated that of those COPs, $55.56 million become callable at par on December 1, 2020 and the coupons (interest rates) on those COPs range from 6.625% to 6.875% and noted that the municipal market has been volatile for the last three months in the wake of the onset of the coronavirus (industry-wide and not specific to Guam). Ms. Garcia added that although there is some uncertainty for financings in this rating category, Barclays has indicated that the current market rate for these COPs is perhaps 5.25%, creating an opportunity for lease payment savings despite market conditions. In addition, she stated that COPs run a little higher than regular general fund because they are a lease financing as oppose to a direct debt financing.

Furthermore, Ms. Garcia mentioned that under federal tax law, a refunding of these COPs could close as early as 90 days before the call date, or Wednesday, September 2, 2020 and that interest on refunding COPs issued through CaPFA on or after September 2, 2020 would be federally tax-exempt (as is interest on the original 2010A COPs), although not triple tax-exempt as would be the case for a Guam issuer. Ms. Garcia mentioned that the government of Guam and the Guam Department of Education's desire is to install solar energy projects (including battery storage, upgraded LED lighting and other energy efficiency projects) at JFK in order to reduce JFK's power costs. According to projections, the solar project would pay for itself over time by lowering electricity bills.

Ms. Garcia informed the Board of Directors and all present a few financing results. She stated that assuming the government of Guam's current S&P Global lease rating of B+ and today's interest rates, the JFK lease could be refinanced and achieve approximately $12-17 million of gross (over time) savings or about 13-14% savings after all costs. Ms. Garcia noted that this is a savings ratio (NPV savings divided by refunded principal) of 9.3%, which is well above GovGuam's 2% threshold when refunding for savings. Lasty, Ms. Garcia stated that the figures noted are net of all estimated issuance costs and do not take into account the reduced operating costs afforded by the solar energy. Power bill savings could be significant and estimated that GEDA's fee for this financing about $141,000.

After further discussion, a motion was made.

RESOLUTION NO. 20-14

RESOLUTION APPROVING THE SALE OF CERTIFICATES OF PARTICIPATION AND APPROVING AND AUTHORIZING THE EXECUTION OF CERTAIN RELATED DOCUMENTS, AGREEMENTS, AMENDMENTS AND CERTIFICATES AND THE TAKING OF RELATED ACTIONS

Director Hutapea made a motion to adopt Resolution No. 20-14. Secretary Ramos seconded the motion. A roll call was then conducted by Vice Chairman Espaldon to obtain votes from the remaining members in attendance. A unanimous approval of motion followed.

The third item under New Business, the Ordot-Chalan Pago Mayor's Office Multi-Purpose Financing, was tabled.

The fourth item under New Business was GEDA's Fiscal Year 2021 Budget.

CEO/Administrator Mendiola reported that GEDA is in the black and has received a positive hit on interest of investments, about $70,000 and $60,000 from an OEA grant fee for grants training. She also noted that although the board did not formally amend the budget through board action, GEDA management made adjustments to include freezing employee increments as a cost saving measure. In addition, CEO/Administrator Mendiola stated that GEDA's projected revenue is about $2.8 million, to be exact $2,813,391. She continued by highlighting other cost saving measures from FY 2020's authorized budget verses actual spending. Furthermore, she mentioned that there are a couple of board actions needed to include the Board of Director's stipend budgeted at $10,000 and noted that past boards have donated their stipend back to GEDA and the government of Guam.

Director Hutapea made a motion to waive the Board of Director's monthly stipend. Chairman John seconded the motion. A roll call was then conducted by Vice Chairman Espaldon to obtain votes from the remaining members in attendance. A unanimous approval of motion followed.

CEO/Administrator Mendiola then provided a Qualifying Certificate (QC) update and noted that although not a voting matter, the GEDA board has oversight on the QC program with regard to utilizing the funds. She further mentioned, to remain consistent, that under the Guam Regional Medical City (GRMC) QC, $350,000 will remain with GEDA for economic development purposes which is allowable under the QC program and noted that the remaining $650,000 will be distributed through the Community Contribution Grant Program. Vice Chairman Espaldon thanked the Executive Management Team and Bernice for their hard work, and also expressed his thanks to the GEDA employees for foregoing their salary increments.

After further discussion, a motion was made.

Director Hutapea moved to adopt the Guam Economic Development Authority's FY 2021 Budget as presented. Secretary Ramos seconded the motion. A roll call was then conducted by Vice Chairman Espaldon to obtain votes from the remaining members in attendance. A unanimous approval of motion followed.

The final item under New Business was The Guam Brewery Corporation's Qualifying Certificate application.

Mr. Ed Camacho, Business and Economic Development Division Manager informed the board that GEDA received a Qualifying Certificate (QC) application from The Guam Brewery Corporation in June 2019 and was subsequently opened in September 2019. He gave an overview of the company and noted that they have six (6) different brands of locally crafted beer and are under the Manufacturing industry. Mr. Camacho mentioned that over a million dollars has been invested in the company. Currently, they have three (3) employees with another hire expected in next year's first quarter.

According to Mr. Camacho, the Guam Brewery Corporation applied for benefits to include: Corporate Income Tax rebate for Twenty (20) Years at Seventy Five Percent (75%), Business Privilege Tax Abatement for Ten (10) Years at One Hundred Percent (100%), and Corporate Dividends Tax (Residents) for Five (5) Years at Seventy Five Percent (75%). Mr. Camacho informed all present that GEDA had a credit review meeting, reviewed the application, and recommends the following benefits: Corporate Income Tax rebate for Twenty (20) Years at Seventy Five Percent (75%) and Corporate Dividends Tax (Residents) rebate for Five (5) Years at Seventy Five Percent (75%). However, GEDA does not recommend the Business Privilege Tax for Ten (10) Years at One Hundred Percent (100%) because they are already exempt as a manufacture wholesaler. In addition, Mr. Camacho added that GEDA recommends that the Guam Brewery pay an annual Public Investment contribution of two thousand five hundred dollars ($2,500) for years one through ten of the QC, with the annual contribution to increase to four thousand dollars ($4,000) for years eleven through twenty of the QC periods. He further stated that they meet three (3) of

the six (6) eligibility requirements under the conditions of the QC: Creation of Employment, Replacement of Imports, and Creation of Economic Activity further stating that The Guam Brewery indicated that in the next 10-year period, they will have 10-15 employees and double or triple their payroll. Mr. Camacho stated that keeping the company in business will allow them to hire more employees which will be a direct benefit to Guam.

Secretary Ramos asked how the annual contribution/public investment is determined and why it is a flat fee verses a percentage. She further recommended that the calculation be applied consistently to companies that apply for a QC. Mr. Camacho noted that for The Guam Brewery, the Credit Review Committee (CRC) examined the taxable liability for a 10-year period. Furthermore, he stated that the CRC wanted a set fee and did not want to tie the annual contribution into the projected performance of the organization.

Secretary Ramos recommended that the applicant contribute 10% of the tax savings. Chairman John noted that it will be difficult to compute and would require a yearly review and have possible reimbursements to the organization. Claire Cruz, Compliance Manager, agreed with Chairman John. Secretary Ramos and Director Hutapea then recommended that the annual contribution should be a minimum of $4,000 with subject to the board's review from years 11 to 20 of the QC.

After further discussion, a motion was made.

RESOLUTION NO. 20-15
RELATIVE TO RECOMMENDING THE APPROVAL OF A QUALIFYING CERTIFICATE TO THE GUAM BREWERY CORPORATION

Director Hutapea made a motion to adopt Resolution No. 20-15 with the added condition that the annual contribution of a minimum of $4,000 for years 11 to 20 of the QC be subject to the board's review. Secretary Ramos seconded the motion. A roll call was then conducted by Vice Chairman Espaldon to obtain votes from the remaining members in attendance. A unanimous approval of motion followed.

There was no further business discussed.

Public Comments

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

No public comments were made.

Adjournment

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

ERNESTO ESPALDON JR., Vice Chairman
Board of Directors

ATTEST:

GIA RAMOS, Secretary
Board of Directors

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COMMITTEE

INVESTMENT COMMITTEE

CENTRAL ISSUE

The markets continued on its moderate recovery into the 3rd quarter. We saw a selloff to start the month of September, but viewed that as a normal correction as opposed to a major shift in the business cycle. The US economy remains in an early cycle recovery phase, with the pace of recovery expected to be slow-moderate with volatility expected in the short-term. Fiscal and monetary policy remains supportive of the economic recovery as well, with the next tranche of fiscal stimulus currently in discussion. Uncertainties regarding the COVID-19 virus remain, and we expect the economic recovery to last well into 2021.

OTHER NEWS AND UPDATES

- Total market value ending this quarter was up $1.3 million since last quarter end.

- Despite a slight selloff in September, the portfolio still delivered a 5.55% return for the 3rd quarter.

- The portfolio also remains positive YTD at 0.39%, up 30 basis points on our target benchmark.

- All asset classes delivered positive returns for the quarter, led by Emerging Markets and U.S. Equities.

- Performance for the full Fiscal Year 2020 is 6.53%

- Long-term performance remains strong at 7.27% annualized since inception (2017).

- Asset Allocation remains within target range

KEY MEETINGS

October 13, 2020 - via Zoom

July 20, 2020 - via Zoom

ACTION ITEMS

GEDA COMMITTEE REPORT

OCTOBER 2020

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COMMITTEE

October 2020
Real Property

CENTRAL ISSUE

5-Year Law
- Creates challenges to attracting developers and investors

CLTC
- New Commission Chair and Executive Director to collaborate on new ways to generate revenues

Navy Excess Lands
- GEDA RPD Assisting Gov Office

OTHER NEWS AND UPDATES

GEDA staff reengaging DISID RE its Tamuning property across JFK

GEDA staff collaborating w Committee Chair and completed draft legislation to amend 5-year law

GEDA staff discussed current MOU and services with new CLTC Chairman. MOU allows for both property management and financing services

Four (4) GALC Commissioners went through Legislative confirmation hearings Aug 7. Legislature voted to confirm 3 on Oct 12.

Continuing to support Governor's Initiatives on Potentially Releasable Federal Lands. Provided Draft Response to Gov Office for her use.

KEY MEETINGS

DISID - Oct 20 Zoom call w Director

5-year Law - Oct 2 Zoom call w Stakeholders Guam Realtors, CLTC, Finance Reps

CLCT - Sep 16 Mtg w Commissioner Reyes and Director Hattig

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

GEDA staff and Committee Chair to develop strategy and justifications for Legislative support to consider draft bill regarding 5-year law

GEDA staff to reengage GALC commission

CLTC Executive Director to brief new Chair on current issues and goals. Will contact GEDA for support on designated initiatives.

Continue support of Governor Initiatives as directed on Navy Excess Lands

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

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COMMITTEE

HEALTHCARE INDUSTRY
October 2020

CENTRAL ISSUE

GMH: Due to rising COVID 19 cases, the need to increase/expand GMH capacity has been highlighted

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

Oct 16 Zoom call with GMH Reps highlighted financing options for construction of a new hospital and establishment of a New Hospital Task Force

Administrator Melanie Mendiola participated on Sep 16 Legislative hearing and highlighted actions taken by GEDA including establishing a Healthcare Industry Committee, supporting health-related projects in the CEDS, overseeing the Take Care QC, drafting an assisted living facility bill, and focusing the upcoming QCCC on the healthcare industry.

Staff provided draft legislation and example of CA Assisted Living Manual to Sen Terlaje and are working with Ms. Joyce (staffer) on way forward

KEY MEETINGS

Oct 16 - Zoom RE New Hospital Task Force w GMH and board, and Guam Buildup Office

Sept 16th - The Guam Legislature's Committee on Health, Tourism, Historic Preservation, Land and Justice held a public hearing to discuss building the nursing capacity on Guam with the Guam Board of Nurse Examiners, the Guam Nurses Association, the University of Guam, School of Health, and the Guam Community College.

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

Staff collaborating w GMH to establish New Hospital Task Force, its subcommittees and define its actionable goals for presentation to Governor

Staff to meet again with the Office of Sen. Therese Terlaje to discuss assisted living draft 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 accommodate.

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COMMITTEE

AGRICULTURE

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

• 10/9/20 - Received Notification of Further Consideration that the Green Markets Facilities grant application has been preliminarily selected by EDA for possible award of funding.

KEY MEETINGS

• 9/24 - Met with Farm to Table to discuss current priorities and potential partnerships with GEDA.

• 9/23 - Met with Farmers Co-op to discuss current priorities and potential partnerships with GEDA.

• 9/22 - Met with Guahan Sustainable to discuss current priorities and potential partnerships with GEDA.

ACTION ITEMS

• Compiling additional information requested by EDA for the Green Markets Facilities grant application for final consideration.

TRIP REPORT

None

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COMMITTEE

AQUACULTURE

CENTRAL ISSUE

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

GEDA initiatives:
1. Expand and build aquaculture industry and assets
2. Create an aquaculture program and a training facility for local community engagement
3. Explore Private investment opportunities
4. Create a sustainable food source for Guam.

Expand and build aquaculture assets

OTHER NEWS AND UPDATES

* Dr. Donhuo Jiang recommended training from UOG Hatchery to support Mini Backyard Aquaculture.

* Mini Backyard Aquaculture plan to be submitted by end of October.

* Mini Backyard Aquaculture plan for commercial development to be submitted by end of November.

* Aquaculture Investor Plan in progress.

KEY MEETINGS

Task Force Meeting September 29- Draft of Requirements for mini backyard aquaculture plan presented to task Force.

October 6, Site visit to Jaime de Asis tilapia ponds with Dr. Barber, Ed Camacho and Dave Crisostomo. Overview of Jaime's Tilapia operation.

October 10, Zoom call with Dave Crisostomo and Dr Barber to further discuss various Aquaculture plans.

ACTION ITEMS

* Research on system components

* Price comparison with different vendors on water pumps and blowers

* Identify on island components

* Research on most cost effective ponds with UV protection
* Provide complete list of components inclusive of most cost effective pricing (completed please see attachment)

TRIP REPORT

Action Items Continued:
Contact EPA, UOG, GCC & DOE to assign task force representatives
Schedule site visit to shrimp aquaculture farm at Fadian
Organize Zoom meetings until COVID-19 cases subside

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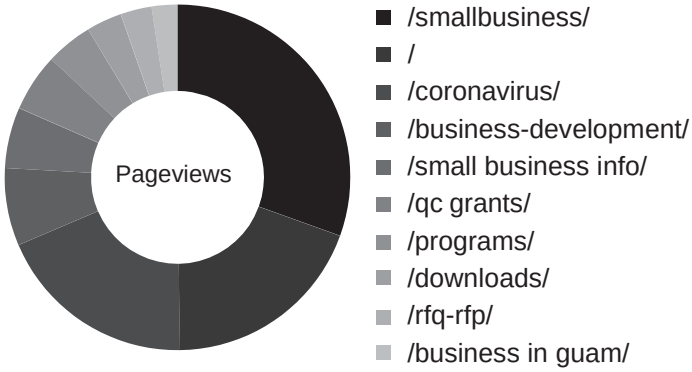
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COMMITTEE

COMMUNICATIONS

ONLINE ANA LYTICS

Website pageviews: 11,575



Social Media Summary

PAGEVIEWS	LIKES	FOLLOWERS
151	29	33

POST ENGAGEMENT	POST REACH
133	3,503

MEDIA COVERAGE

GUAM BREWERY QUALIFYING CERTIFICATE
- Pacific Daily News

$1M REALLOCATED TO GSBPAG PROGRAM
- Guam Daily Post

HEALTHCARE SYSTEMS STABILIZATION GRANT ESTABLISHED
- Press Release
- Pacific News Center

GEDA SUPPORTS CIRCULAR ECONOMY BILL
- Pacific Daily News
- Pacific News Center

JFK BONDS SECURED SAVINGS
- Pacific News Center

SPONSORSHIP/PARTICIPATION

OTHER NEWS/UPDATES

UPCOMING: GEDA to host Small Business Conference

GEDA COMMITTEE REPORT

OCTOBER 2020

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GEDA FEDERAL GRANT PROJECTS (Updated 10/16/20)									
PROJECT TITLE	PROJECT DESCRIPTION	PROJECT START DATE	GRANT	FUNDING SOURCE	REQUESTED AMOUNT	GEDA ALLOCATION	STATUS	COMMENTS	
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	June 2020	FY 2020 EDA Public Works and Economic Adjustment Assistance Programs including CARES Act Funding	DOC - EDA	$128,533	23,533	SUBMITTED - 9/3/20		1
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	June 2020	FY 2019 EDA Disaster Supplemental	DOC - EDA	$199,775	$51,150	SUBMITTED - 7/23/20	Submitted additional information requested by EDA - 8/4/20, 8/18/20, 9/11/20	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	March 2020	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 Submitted additional information requested by EDA - 8/18/20, 9/11/20	1
Guam Agriculture Master Plan	Development of a Guam Agriculture Master Plan to strengthen and modernize the agriculture industry	April 2020	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.	January 2020	FY 2020 EDA Public Works and Economic Adjustment Assistance Programs	DOC - EDA	$1,200,000	$60,000	SUBMITTED - 3/10/20 PRELIMINARY SELECTED - 10/9/20	Submitted additional information requested by EDA - 8/3/20 Compiling additional information requested by EDA	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	June 2020	FY 2020 EDA Public Works and Economic Adjustment Assistance Programs including CARES Act Funding	DOC - EDA	$30,000,000	TBD	Active Draft in progress	Collaborative meetings to be scheduled with DLM and Adelup	3
E.T. Calvo Industrial Park Upgrade and Site Improvements	Modernize the park and provide needed infrastructure to address issues affecting present and future tenants	March 2020	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
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	May 2020	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)	May 2020	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 Improvements 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	March 2020	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	March 2020	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.	October 2019	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
Polaris Point Cleanup Assessment	Comprehensive environmental assessment of Polaris Point	November 2019	FY20 Guidelines for Brownfield Cleanup Grants	USEPA	$200,000	$20,000	SUBMITTED - 12/3/19 - NOT SELECTED		5

GUAM ECONOMIC DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS

Resolution Number 21-01

RELATIVE TO APPROVING THE QUALIFYING CERTIFICATE COMMUNITY CONTRIBUTION GRANT PROGRAM SERIES 2 DISBURSEMENTS

WHEREAS, the GEDA CEO/Administrator presented the Qualifying Certificate Community Contribution Grant Program Series 2 in the amount of three hundred thousand dollars ($300,000.00) for NON-PROFITS to the Board of Directors on July 23, 2020 from the Community Contributions received from Guam Regional Medical City and TNN Guam, dba Tsubaki Hotel; and

WHEREAS, the grant program application period was opened on August 6, 2020 to close on August 28, 2020; and

WHEREAS, the grant program application period was extended to September 11, 2020 due to the Governor's extended stay at home order Executive Order 2020-27; and

WHEREAS, GEDA received fifty-six (56) applications and forty-nine (49) were deemed eligible for evaluation; and

WHEREAS; evaluations were conducted by five (5) evaluators and scores were returned to GEDA on October 16, 2020, analyzed and compiled on October 20, 2020; and

THEREFORE, the GEDA Board of Directors hereby approves the disbursements of Two Hundred Ninety-Nine Thousand Eight Hundred Sixty-Eight Dollars ($299,868.00) to the eligible grantees identified in the attached list;

SO RESOLVED AND DULY AND REGULARLY ADOPTED this twenty-second day of October, 2020 as Resolution No. 21-01.

Ernesto Espaldon, Jr.
Vice Chairman

ATTEST:

Gia Ramos, Secretary

ATTACHMENT

QC3 Series 2 Award List

Applicant Name	Amount Requested	Grant Amount
Sanctuary Incorporated of Guam	$10,000	$7,852
Guma' Mami, Inc.	$9,999	$7,559
Manelu	$10,000	$7,442
Guam Animals in Need, Inc.	$10,000	$7,091
Marianas Community Development Corporation	$10,000	$7,032
Make-A-Wish Foundation of Guam	$10,000	$6,973
Harvest House	$10,000	$6,973
Inetnon Gef Pa'go Cultural Arts Program Inc	$10,000	$6,856
Habitat for Humanity of Guam	$10,000	$6,798
Haya Foundation	$10,000	$6,739
Pacific Historic Parks	$10,000	$6,739
Tohge Corporation	$10,000	$6,739
Guam Visitor Industry Education Council DBA Tourism Education Council	$10,000	$6,680
I Hagan Famalao'an Guahan	$10,000	$6,680
Guam Humanities Council dba Humanities Guahan	$10,000	$6,680
Get Healthy Guam Coalition Inc.	$10,000	$6,622
Micronesia Climate Change Alliance	$10,000	$6,622
Guam Preservation Trust	$10,000	$6,563
Rotary Club of Tumon Bay - Rotary International, District 2750 Pacific Basin Group	$10,000	$6,505
Guam International Film Festival, Inc.	$14,903	$6,446
Micronesia Training and Development Institute - MTDI Guam	$8,600	$6,387
Guampedia Foundation	$10,000	$6,387
Guam Museum Foundation, Inc.	$10,000	$6,387
Archdiocese of Agana	$10,000	$6,387
Guam Football Association	$10,000	$6,329
Duk Duk Goose, Inc.	$10,000	$6,329
Guam Women's Chamber of Commerce	$10,000	$6,329
GCA Trades Academy, Inc.	$10,000	$6,270
Traditions Affirming Our Seafaring Ancestry Inc. (TASA)	$10,940	$6,153
Payuta Incorporated	$10,000	$6,153
Chief Hurao, Inc. dba Chief Hurao Academy	$10,000	$6,153
Institute of Aikido and International Cultures dba Guam Aikikai	$9,940	$6,094
Guam Sports Events Incorporated	$10,000	$6,094
Pacific War Museum Foundation	$10,000	$6,036
Guam Children's Museum Incorporated	$10,000	$6,036
The Andrea Ilao Foundation	$10,000	$5,919
Hal's Angels Football Association	$10,000	$5,919
Saint Anthony Catholic School	$10,000	$5,801
Drive for Change (Guam) Ltd	$26,300	$5,743
Guam Water Polo League	$10,000	$5,626
Insurance Association of Guam	$10,000	$5,508
Staywell Foundation Inc.	$10,000	$5,391
Rovers Club International	$10,000	$5,333
Inarajan Middle School MITY PATSSC	$5,000	$4,922
Junior Achievement "JA" Guam	$64,200	$3,985
University of Guam	$9,984	$3,809
Flame Tree Freedom Center, Inc.	$10,000	$3,750
Guam Korean Chamber of Commerce	$4,000	$4,000
Guam National Tennis Federation	$10,000	$3,047
		$299,868

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

Guam Small Business Pandemic Assistance GRANT PROGRAM

MELANIE MENDIOLA
Chief Executive Officer/Administrator
Atkådi Eksekutibu Ofisiat/Atmenestradora

JOANN G. CAMACHO
Deputy Administrator
Sigundon Atmenestradora

AS OF OCTOBER 21, 2020 :

Number of Applications:	2663
Applications deemed Ineligible:	328
Applications Processed:	2306
Applications In-Process:	29

	Series 1	Series 2	Series 3	TOTAL
Number of Apps	1285	875	146	**2306**
Total Awarded	$2,310,151.55	$7,484,141.35	$6,712,693.47	**$16,506,986.37**
Average	$1,797.78	$8,553.30	$45,977.35	**$7,158.28**

	COUNT	AMOUNT
APPLICANTS TRANSMITTED TO DOA:	2293	16,210,152.89
# OF CHECKS PRINTED BY DOA:	2276	16,053,965.37
# OF CHECKS IN-PROCESS BY DOA:	17	156,187.52

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Governor of Guam
I Maga'Haga Guahan

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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

October 22, 2020

TO: GEDA Board of Directors

VIA: Melanie Mendiola, Chief Executive Officer / Administrator
Joann G. Camacho, Deputy Administrator

FROM: Christina D. Garcia, Public Finance Manager

RE: **APPROVAL TO COMMENCE NEGOTIATION AND AWARD FOR RFP 20-006**
Proposed Financing for the Chalan Pago-Ordot Municipal Planning Council for the Construction of a Multipurpose Recreation/Emergency Center, amount not to exceed $2,500,000

Pursuant to 12 G.C.A. §§ 50103(k) and 50103.1(b), the Guam Economic Development Authority, ("GEDA") on behalf of the Chalan Pago-Ordot, Municipal Planning Council is seeking financial assistance from an Offeror to provide a loan of an amount not to exceed Two Million Five Hundred Thousand Dollars ($2,500,000.00) for a period of Twenty-Five (25) years for the construction of a Multipurpose Recreation/ Emergency Center.

RFP 20-006 was issued on August 26, 2020 with a deadline of submission of proposals on September 16, 2020 at 4:00 p.m. Chamorro Standard Time.

A total of two (2) responses were received from the Bank of Guam (2 options offered) and First Hawaiian Bank. The proposals were opened on September 16, 2020 in the presence of two (2) procurement officers and an evaluation team was named to review the proposals.

Members of the evaluation committee included Mayor Jessy C. Gogue, Edward Camacho, GEDA Business & Economic Development Manager, and myself. Evaluations were held on October 16, 2020 at GEDA's office and via Zoom Conference Meeting. After thorough analysis of the two proposals, the evaluation committee has ranked the proposals with the First Hawaiian Bank ranking first and the Bank of Guam ranking second.

We respectfully request approval to commence negotiations and award to the best-qualified proposer with the First Hawaiian Bank as first ranking proposer. If GEDA and the Chalan Pago Mayor's office are unable to reach an agreement, we will then commence negotiations with the Bank of Guam.

The Evaluation Committee respectfully submits this recommendation to the GEDA Board of Directors for approval to negotiate and award by adoption of the same by resolution.

APPROVAL TO COMMENCE NEGOTIATION AND AWARD FOR RFP 20-006

Proposed Financing for the Chalan Pago-Ordot Municipal Planning Council for the Construction of a Multipurpose Recreation/Emergency Center, amount not to exceed $2,500,000

☑ Approved

☐ Disapproved

Melanie Mendiola
Chief Executive Officer / Administrator

Presented at the GEDA Board of Directors Regular Meeting on this day October 22, 2020.

☑ Approved

☐ Disapproved

Ernesto Espaldon, Jr.
GEDA Vice-Chairman

1. **PREFACE.** To assist the states and territories combat the economic impact of COVID-19, the federal government has directed money in direct aid to Guam under the Coronavirus Aid, Relief, and Economic Securities (CARES) Act. As part of the CARES Act, the government of Guam received $117,968,257.80 in direct aid.

   In an effort to ensure the stable operation of Guam's healthcare industry during the COVID-19 pandemic, and in light of the critical role these healthcare facilities play in the community's overall health and well-being, the government of Guam has established the Healthcare System Stabilization Grant Program (hereafter referred to as "program") as mandated by Executive Order (EO) 2020-35. The Office of the Governor will allocate funds to this program to provide direct assistance to Tier One and Tier Two healthcare facilities whose practitioners are either medical providers whose licensure is governed by the Guam Board of Medical Examiners and/or behavior health providers whose licensure is governed by the Guam Board of Allied Health Examiners.

   This direct assistance will assist the aforementioned entities in offsetting financial hardship they have incurred as a result of the COVID-19 pandemic. The Guam Economic Development Authority (hereafter referred to as the "Authority") has been delegated the responsibility of administering the program.

   1.1. Purpose. Pursuant to EO 2020-35, the Authority is mandated with adopting Standard Operating Procedures ("SOP") for the program. The purpose of this SOP is to provide guidance in administering the program as well as to comply with EO 2020-35. This SOP incorporates the required legal mandates and the Authority's rules and regulations relative to this program.

   1.2. Policy. This policy implementing this SOP shall be Resolution No. 21-02 (see exhibit A).

   1.3. Definitions.
   a) "Tier One facility" shall mean any and all healthcare facilities that are not designated as either Tier Two or Tier Three facilities under the COVID-19 Unified Response Effort (C.U.R.E.);
   b) "Tier Two facility" shall mean any and all healthcare facilities designated under C.U.R.E.;

c) "Medical provider" shall mean any individual that currently practices in Guam that is licensed by the Guam Board of Medical Examiners;
d) "Behavioral health providers" shall mean any individual that currently practices in Guam that is licensed by the Guam Board of Allied Health Examiners in the areas of clinical psychology, professional counseling, marriage family therapy and mental health counseling; and
e) "Applicant" shall mean any entity that operates a Tier One or Tier Two facility that submits an application under this program. In the case of an entity that possesses more than one physical location, said entity shall be considered one applicant, regardless of number of locations and/or if each location has its own unique business license and unique account number when filing its monthly business privilege tax documents with the Department of Revenue and Taxation.

1.4. Responsibilities.

a) The CEO/Administrator shall appoint a Program Manager, who shall recommend appropriate staff to run the day to day operations of the program. Such day to day activities shall include, but not be limited to, receiving inquiries, processing and verifying applications, preparing and submitting payment schedules and preparing the application files for final disposition by the GEDA CEO/Administrator. The Program Manager shall ensure that adequate staff is delegated to all aspects of the program other than compliance.

b) The Compliance Division is responsible for monitoring for the compliance of all requirements and conditions of approved grants under the program. The Compliance Division Manager shall ensure that adequate staff is delegated to this aspect of the program.

1.5. Agency Relations under the Program.

a) **Guam Department of Public Health and Social Services (DPHSS)**: The Authority shall coordinate with DPHSS to ensure that potential awardees are currently licensed.

b) **Guam Department of Administration (DOA):** Upon approval of grant applications, the Authority submits regular payment schedules to DOA for check issuance.

c) **Office of the Governor:** The Authority shall maintain a schedule of reimbursable costs outside of regularly budgeted items associated with administering the program for submission to the Office of the Governor.

1.6. Changes to SOP

a) Recognizing that the COVID-19 pandemic is an evolving situation, any portion of this SOP which conflicts with a law, rule, regulation or directive, shall be superseded by such, until this SOP is revised and in conformance. In order to accurately account for such changes, a copy of the new law or amendments to current law will be posted with this SOP until revised.

b) The GEDA CEO/Administrator shall have the authority to revise SOP as necessary so long as ample prior written notice is provided to the GEDA Board of Directors.

2. GENERAL PROCESSING PROCEDURES

2.1 Program Comprehension. All relevant personnel must be familiar with the program requirements. This will help in conveying program benefits, expectations, and requirements to potential applicants.

2.2 Eligibility. The following criteria must be met for an applicant to be eligible under the program:

a) Is either a Tier One or Tier Two healthcare facility as defined;
b) Has a verifiable physical location where eligible healthcare and/or behavioral health services are provided;
c) In order for the healthcare and/or behavioral health service to be eligible, it must be provided by practitioners that are either medical providers that are currently licensed by the Guam Board of Medical Examiners, and/or behavioral health providers that are currently licensed by the Guam Board of Allied Health Examiners;
d) Tier One or Tier Two healthcare facility was in operation on or before October 1, 2019; and

e) The Applicant can demonstrate any amount of business loss via either their BPT filings or some other acceptable form of documentation.

2.3 Government Facilities not Eligible. Government of Guam and United States federal government healthcare and/or behavioral health facilities are not eligible to receive funds under this program.

2.4 Application Period. Funds authorized under this program are available until December 31, 2020. The Authority will begin to accept applications no later than three (3) business days following adoption of this SOP, and shall continue to receive applications until November 30, 2020.

2.5 Processing. Staff shall encourage that all applications be submitted via email to healthcare.grant@investguam.com. Non-electronic submissions may be submitted to GEDA by appointment only in order to comply with public health guidelines. Each applicant will be evaluated based on its own merits and therefore processing time may vary. Below are the six (6) phases of the processing cycle.

a) **Initial Inquiry.** The Authority expects initial inquiries to be minimal, with most information readily conveyed to the public via the GEDA website. In instances where direct client assistance is required, relevant staff shall provide potential applicants with general program information, clarifying program questions, providing access to a digital application package with guidelines, a checklist for additional information/supporting documents, and such other information as may be relevant and necessary.

b) **Official Submission Date.** The official date of filing of a grant application occurs when the Authority receives an application package via email or physical copy submitted during a scheduled appointment. Assigned staff will be responsible for ensuring that all applications are properly logged and sorted according to submission date and time.

c) **Notice to Applicant.** Assigned staff shall provide electronic notice to applicant, along with a unique application number. The applications shall be filed in the order they are received. Assigned staff shall be as expeditious as possible in assigning the application number. Notice can

be provided via email and/or telephone call, and a list of all application numbers shall be posted on the GEDA website at www.investguam.com/healthcare.

d) Application Review. The application review contains the following steps:
   1) All applications are properly logged and issued a unique application number as indicated in section 2.5(c) above.
   2) Applications are then reviewed by assigned staff for completeness. If an application is missing documents or information, assigned staff shall contact the applicant and instruct them to provide the necessary documents or information. INCOMPLETE APPLICATIONS SHALL NOT PROGRESS FURTHER IN THE REVIEW PROCESS.
   3) All complete applications are then reviewed according to program parameters. The review shall consist of the following:
      i. Determining whether applicant is eligible to apply for and receive grant assistance;
      ii. Calculating total annual gross receipts as indicated in their monthly Business Privilege Tax (BPT) filings;
      iii. Determining approval or disapproval of grant application; and
      iv. Determining total amount of grant, if approved, based on the parameters contained in section 2.6 of this SOP.

e) **Notice to Applicant.** No more than seven (7) working days after action has been taken on an application, assigned staff shall send an official notice via mail which indicates either approval or disapproval of said application. All notices shall be signed by the employee that conducted the final review of the application prior to final signature by the CEO/Administrator. All notices shall contain the following:
   1) In the case of grant approval, notice shall include the final calculation that determined eligibility, the approved grant amount, and all other necessary information.
   2) In the case of a grant award that is fifty thousand dollars ($50,000) or above, the notice shall include instructions for awardee to provide proof of registration in the US federal System for Award Management (SAM).

3) In the case of grant disapproval, notice shall include reasons for disapproval and provide guidelines for reconsideration as detailed in section 2.6 below.

f) **Fund disbursement.** Assigned staff shall prepare regular payment schedules to the Department of Administration to ensure prompt check issuance of grant awards. This payment schedule shall first be approved by the CEO/Administrator prior to submission to DOA, and shall include the following:
   1) Applicant Name;
   2) Applicant Address;
   3) Applicant phone number;
   4) Applicant taxpayer ID number; and
   5) Total grant award.

2.6 Award Calculation.

a) Grant awards shall be calculated based on annual gross receipts, which shall be determined by utilizing the Applicant's monthly BPT filings for the month ending March 2019 to month ending February 2020, or in the case of an Applicant that began operations between April 1, 2019 and October 1, 2019, grant awards shall be calculated based on annualized gross receipts by utilizing their first month end filing after they commence business to month ending February 2020;
b) Grant awards shall equal **three percent (3%)** of an awardee's annual gross receipts that is directly derived from patient care for Tier One facilities, except that Tier One facilities that have been instructed to provide necessary health care services by the C.U.R.E. Action team shall receive an award of fifty thousand dollars ($50,000);
c) No Tier One facility shall receive a grant award in excess of fifty thousand dollars (50,000). Tier Two facilities that receive a grant under this program shall receive an award in an amount to be defined by the Office of the Governor; and
d) If an Applicant under this program is also a previous recipient of the Guam Small Business Pandemic Assistance (GSBPA) Grant, and if the grant under this program is more than the grant received under the GSBPA grant, said Applicant shall receive a grant under Healthcare System Stabilization Grant program equal to the difference between the original GSBPA grant and the amount approved under this program.

Conversely, if a grant amount under this program is less than the grant received under the GSBPA program, then said Applicant will not receive any additional grant funds.

2.7 Reconsideration. Applicants who have had their applications disapproved may seek reconsideration based on the following:

a) Applicants must submit a written reconsideration request, along with all necessary supporting documentation, which shall detail their reasoning as to why disapproval is not warranted. Requests shall be addressed to the GEDA CEO/Administrator and must be received no more than fifteen (15) working days after the applicant's receipt of grant disapproval notice;
b) The Program Manager shall assign appropriate staff to reevaluate the application to determine if any information was improperly evaluated. Applicant may be asked to provide additional information as needed;
c) Reevaluation shall be provided to GEDA CEO/Administrator for final action; and
d) Notice of final action by CEO/Administrator shall be provided to Applicant no later than five (5) working days from said action. Applications that have been reconsidered and approved for grant funding will be provided to DOA for check issuance.

2.8 Compliance Monitoring. Assigned staff shall perform audits of applications that have gone through the review process to ensure accountability.

a) Review application and supporting documents with an emphasis on the following:
    i. EIN Number;
    ii. GRT Account Number;
    iii. Business License;
    iv. BPT Monthly Filings;
    v. Proof of physical location;
    vi. Self-Certification;
    vii. Data entry;
    viii. Eligible/Not-Eligible;
    ix. Proof of registration in the US federal System for Award Management (SAM) for grant awards that are fifty thousand dollars ($50,000) or above; and

x. Advise Program Manager of any discrepancies if necessary.

2.9 Grant Application Files. Assigned staff shall ensure that all necessary documents, both digital and physical, are properly filed and stored. Such documents shall include, but not be limited to, the following:

a) Application form;
b) All application supporting documents (business license, business privilege tax filings, etc.);
c) Copies of all notices to applicant;
d) All documents related to the disbursement of funds; and
e) In the cases of a reconsideration of a disapproved application, all documents pertaining to such reconsideration.

2.10 Grant Application Package (Contents). Listed below are the minimum documents required to be submitted by an applicant. There may be additional information required of the applicant. Any additional documentation required must be promptly identified and communicated to the applicant and properly documented.

a) Grant application form;
b) Applicant self-certification form
c) Copy of applicant's current business and/or professional license;
d) Applicant's month ending BPT filings for the period of March 2019 to July 2020;
e) Proof of physical commercial office location through business license and either lease or rental agreement, ownership documentation, mortgage documentation, or any other document acceptable to GEDA; and
f) All other information as may be required.

2.11 Cost to be Covered by Applicant. There are no costs to be borne by the applicant in the course of the application process.

Exhibit A

GUAM ECONOMIC DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS

Resolution Number 21-02

RELATIVE TO APPROVING THE STANDARD OPERATING PROCEDURES FOR THE HEALTHCARE SYSTEM STABILIZATION GRANT PROGRAM

WHEREAS, COVID-19 and the subsequent public health emergency measures to eradicate the virus from Guam have had an adverse impact on Guam's healthcare industry; and

WHEREAS, in an effort to ensure the stable operation of Guam's healthcare industry during the COVID-19 pandemic, and in light of the critical role these healthcare facilities play in the community's overall health and well-being, the Honorable Lourdes A. Leon Guerrero, *I Maga'Hågan Guåhan,* is allocating funds received by the government of Guam from the Coronavirus Relief Fund established by Coronavirus Aid, Relief, and Economic Security (CARES) Act to provide direct assistance to Tier One and Tier Two healthcare facilities whose practitioners are either medical providers whose licensure is governed by the Guam Board of Medical Examiners and/or behavior health providers whose licensure is governed by the Guam Board of Allied Health Examiners; and

WHEREAS, Executive Order 2020-35 formally established the Healthcare System Stabilization Grant Program and designated the Guam Economic Development Authority (GEDA) as the program administrator; and

WHEREAS, in an effort to promote effective program management as well as to comply with the requirements of Executive Order 2020-35 the GEDA Board of Directors desires to adopt Standard Operating Procedures for the Healthcare System Stabilization Grant Program.

NOW THEREFORE BE IT:

RESOLVED, that the Standard Operating Procedures for the Healthcare System Stabilization Grant Program is in the form attached hereto, and that the same is hereby APPROVED, RATIFIED and CONFIRMED by the Board of Directors of the Guam Economic Development Authority; and be it further

RESOLVED, that the Standard Operating Procedures shall be in force and effect until the expiration of the program on December 31, 2020, unless the program period is extended by *I Maga'Hågan Guåhan* via a subsequent executive order; 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 twenty-second day of October, 2020.

Ernesto Espaldon Jr.
Vice Chairman

ATTEST:

Gia Ramos
Secretary

ATTACHMENT

END