



Minutes of Regular Meeting to the Board of Directors of the
Guam Economic Development Authority
April 16, 2019

Call to Order

§1. The regular meeting of the Board of Director of the **Guam Economic Development Authority** (referred to as "GEDA" or the "Authority") was held on Tuesday, April 16, 2019 at the hour of 9:30 a.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.

Quorum and Attendance

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

Directors:

David John
Ernesto Espaldon
George Chiu
Gia Ramos

Offices or Positions:

Chairman
Vice Chairman
Director
Director

Melanie Menidola (via phone)
Artemio Hernandez
Georgette Concepcion

CEO/Administrator
Deputy Administrator
Legal Counsel

Absent and excused:

Monte Mesa Director

Also present were:

Larry Toves GEDA
Ed Camacho GEDA
Dianne Ollet GEDA
Tina Garcia GEDA
Claire Cruz GEDA
Erin Grajek Senator Clynt Ridgell
Kevin Kerrigan Guam Daily Post
Sheena Mitchell GEDA
A. Taijeron MAGAS

Approval of Agenda

§3. The first item considered was the Approval of the Agenda. Vice Chairman Ernesto Espaldon made the motion to approve the meeting agenda. Director George Chiu seconded the motion. The motion was unanimously approved.

Approval of Minutes

§4. The next item on the agenda was the approval of minutes from March 21, 2019. Director Chiu moved to approve the minutes subject to any corrections. Director Espaldon seconded the motion. The motion was unanimously approved.

Chairman's Remarks

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

Chairman John stated that GEDA has been working on a number of fronts. He further stated that the Board will be working to adopt the Comprehensive Economic Development Strategy (CEDS) project. In addition to working on the budget and advancing the Qualifying Certificate program, which will be on the agenda for the next meeting.

Chairman John had no further remarks.

CEO/Administrator's Remarks

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

CEO/Administrator Melanie Mendiola started her remarks by readdressing the recommendations in the transition report. Ms. Mendiola informed the Board that GEDA is currently working to:

- **Renew GEDA Mission as a driver for government economic policy.**
- **Assess all staff positions to determine the need after reorganization of GEDA.**
- **Develop a strategic plan by which to guide the agency.** Ms. Mendiola stated that she has asked management to designate staff members to assist with the development of an updated strategic plan for GEDA.
- **Update CEDS from 2011.**
- **Develop a marketing strategy to promote GEDA.**
- **Ensure transparency on business transactions.**
- **Work with federal government to improve renewal ratings of H2B Visa applications.**
- **Identify new revenue stream to support agriculture and aquaculture as a viable economic industry.**
- **Develop a Loan Program that guarantees Start-Ups.**
- **Develop a plan to market "Opportunity Zones."**
- **Establish Guam as a medicinal tourist destination.**

- **Implement Medical Marijuana Rules & Regs** Ms. Mendiola stated that she is seeking the Boards direction toward business relating to Marijuana Rules and Regulations. Chairman John asked if GEDA has received directives from the Office of the Governor. Ms. Mendiola expressed that there is some difficulty in procuring a laboratory. However, GEDA can reach out to the Commissions to partner on the initiative. Director Chiu asked if GEDA could reach out to one of the 13 states that have passed the use of recreational marijuana with rules and regulations instead of recreating the wheel. He expressed his concern is not the growing or procuring of a laboratory, rather how to ensure Guam is in compliance with federal law, the transportation of marijuana on federally funded roads and finances/banking associated with the marijuana industry. After further discussion, Vice Chairman Espaldon asked if GEDA can clarify its role in the marijuana initiative. Ms. Mendiola stated that she will discuss with the Fiscal Team and in the meantime will take a proactive approach.
- **Fill vacant in-house Attorney Position**

Ms. Mendiola moved on to discuss business relative to Public Finance and the effort to improve government liquidity and promote efficient CIP financing.

Ms. Mendiola stated she herself and the Deputy Administrator, Artemio Herenandez have spent time working on the financing of Guam Solid Waste Authority's Cell 3. She mentioned she would elaborate later in the meeting.

In regards to the Guam International Airport Authority refunding, there are changes being made to the draft legislation. In addition, GEDA is working on the refinancing of the Department of Public Works Garvee Bonds at \$75 million and the financing of the Guam Memorial Hospital Labor and Delivery Ward financing at \$9.2 million.

Lastly, there was a meeting held with DISID and the Guam Regional Transit Authority regarding the land on Marine Drive, the former Goodwill property. Based on the meeting, the two agencies are going in different directions. Mr. Hernandez stated that the public law authorizes DISID and GRTA to create a facility and requires that GEDA leading in issuing a Request for Proposal (RFP). It was mentioned that two RFPs were issued without success due its unique specifications.

Ms. Mendiola provided the Board with more updates regarding the GSWA financing.

- The Financing Plan Collaborative Team convened on 3/26/2019 with Office of the Governor of Guam
Guam Solid Waste Authority, Guam Economic Development Authority, Gershman, Brinker, & Bratton Federal Receiver and Office of Senator Sabina Perez
Financing Plan submitted to District Court on 4/5/2019.
 - Trustee Plan added to GEDA's to do list after status hearing held on 4/10/2019.
 - Financing Plan legislation meeting held on 4/11/2019 at Office of Senator S. Perez.
 - Trustee Plan Collaborative Team convened on 4/12/2019.
- Added US EPA to Collaborative Team
Awaiting clarification from Adelup and GSWA regarding trusteeship.

In regards to the Rainy Day Legislation, Ms. Mendiola commended Chairman John and Mr. Hernandez for moving forward legislation that was transmitted to BBMR for incorporation into the FY2020 budget request. Furthermore, Mel stated that the Governor made a remark about this in her State of the Island Address. Chairman John stated that the bond rating agencies advised to maintain fiscal flexibility and diversify our economy in order to improve Guam's outlook. After further discussion, Chairman John stated that the goal is to get seven (7) to ten (10) percent of the overall

Government of Guam budget in a fund for “rainy day” use, subject to 2/3 votes by the Legislature and the Governor’s approval.

Regarding the Preliminary Bond Issuance Analysis, Ms. Mendiola stated that the Public Finance Division is developing rules and regulations to move forward with charging bond services. Ms. Mendiola recommended that instead of calling it “Bond Issuances”, it should be called “Debt Issuance Fee Schedule.” This is because more agencies are seeking USEDAs loans for various projects which will require GEDA’s assistance and services.

Ms. Mendiola moved on to discuss business relative to Real Property and the refining the commercial leasing process for government owned lands such that there is clarity among agencies and efficiency for lease holders.

Ms. Mendiola stated that GEDA provided testimony on April 11, 2019 in support of Bill 8-35, which extends leases from five years to ten years. Chairman John asked if the amendment of five to ten years would “move the ball” for real-estate development. Mr. Hernandez stated that GEDA commented 25 years as reasonable lease term. Larry Toves, Real Property Managers mentioned that the author of the bill may not proceed as there is negative pushback.

In addition, Ms. Mendiola mentioned that she met with CLTC Board Chair and Director on April 26, 2019 regarding listing four additional CLTC properties. There is a Memorandum of Agreement prepared but CLTC board action is needed.

Ms. Mendiola moved on to discuss Business Development.

Ms. Mendiola mentioned that there was a briefing on March 29, 2019 with SBA regarding the STEP Grant. She noted the STEP Grant is intended to support export activity. Furthermore, GEDA shall continue to expand its grant portfolio to relieve the pressure on profit and loss.

Regarding the Guam Land Use Commission, Ms. Mendiola met with the Commission on March 31, 2019 to discuss Opportunity Zones (OZ). She proposes an invitation to a lawyer and CPA with expertise in Opportunity Zones to give a “Continuing Education” course to lawyer and accountants to better deal with OZs. Ms. Mendiola looks to hold the course sometime late summer. Director Ramos asked if GEDA could include the realty industry in the initiative.

Ms. Mendiola mentioned that there was a Qualifying Certificate briefing with the Governor on April 11, 2019.

Ms. Mendiola stated that the KEPCO-LG CNS Mangilao Solar LLC sent a Letter of Intent to apply for a Qualifying Certificate on March 22, 2019. The company is working with the Guam Power Authority to provide solar power.

Lastly, Ms. Mendiola stated that former Governor Carl Gutierrez and Ed Camacho, Business Development Manager attended trade missions in China and the Philippines in March 2019.

Ms. Mendiola moved to brief the Board on the latest draft of the Comprehensive Economic Development Strategy (CEDS). She stated that she spoke to the USEDAs who recommend that GEDA submit the CEDS as soon as possible in order to start applying for projects and grants. She said the USEDAs representative was in agreement with submitting addendums as GEDA receives more projects and revisions.

Regarding the TAP Grant, GEDA is still awaiting a response. Nonetheless, GEDA will continue with the H2B Visa Impact Report. Furthermore, Chairman John asked if there are any updates on the H2B Visa issue. Mr. Hernandez stated that Governor Leon Guerrero has held the belief that H2B Visa approvals should be for all projects and not singular to build-up initiatives. Director Chiu asked why the Guam Contractors Association is so hesitant to drop the lawsuit. According to Ms. Mendiola, based on the past meetings she attended, there was no desire to drop the lawsuit.

Regarding the Multi Purpose Facility, Ms. Mendiola stated that Mr. Hernandez is working with Senator Mary Torres on the legislation to loosen the need for a commission and rather form a committee to work on the overseeing the feasibility study. Furthermore, Public Law 33-229 allocates \$75,000 from Senator Torres' senatorial budget to go toward the study.

Regarding the Bond Analytics, Ms. Mendiola mentioned that Tina Garcia, Public Finance Manager will take the lead on the research as the team closes out other projects.

Ms. Mendiola moved on to discuss GEDA in the Community. In regards to training and meetings, the following initiatives were held:

- Special Economic Session on March 19, 2019
- GSWA Borrowing Meeting with representatives from 9 senators' offices on April 11, 2019
- Individual Meetings with: Senator Jim Moylan (R), Senator Sabina Perez (D) and Senator Joe San Agustin (D)

Furthermore, Ms. Mendiola informed the Board of the presentations and outreach achieved in the community from March 2019 to April 2019.

- Joint Leadership Symposium on March 21, 2019
- GPS "Guild" to discuss additional services on March 28, 2019
- BankPacific and GEDA SSBCI Partnership on April 9, 2019
- Center for Island Sustainability Display Table on April 11, 2019
- Center for Island Sustainability Seed Talks on April 12, 2019
- Fanachu Famalao'an on April 12, 2019
- ADF Loan Request (This marks the second loan of the fiscal year.)

Director Ramos stated after the closing of the CEO/Administrator's Remarks that if GEDA is not reaching the public through the tradition, regular publications, maybe GEDA should look into publishing RFPs via online or social media. Mr. Hernandez stated that GEDA will work on expanding the publications.

There were no further remarks from the CEO/Administrator.

Communications

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

Chairman John informed the Board that the Governor has made the appointment of Siska S. Hutapea to serve as a member to Board of Directors of the Guam Economic Development Authority. Chairman John invited the public to attend and/or provide testimony at her public hearing on April 16, 2019 at 2:30pm.

There were no further Communications.

Committee Reports

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

The first item under Committee Reports was the Investment Committee report. Director Chiu stated the overall return was 7.37%, benchmark for the same period of time since inception was 6.43%, which is roughly 1%. This equals to almost a 6% return by investing. Legal counsel provided an opinion stating that GEDA is not restricted to how excess funds are allocated. After further discussion, Director Chiu mentioned that the committee was tasked to look into relocation.

Chairman John asked Ms. Mendiola to keep in mind that when the new investment program is running, GEDA should reach out to the smaller agencies to see if management assistance is needed for the agencies' excess funds. This is an important as GEDA has created a track record.

There was no further discussion on the Investment Committee Report.

The next item under Committee Reports was the Qualifying Certificate (QC) Committee report.

Chairman John stated that the committee is looking at redrafting QC work for the Captive Insurance and Health, Property and Casualty. The committee will present the drafts at the next board meeting.

There was no further discussion on the Qualifying Certificate (QC) Committee report.

Old Business

§9. The next item on the agenda was Old Business. The first item under Old Business was the Election of Board Secretary.

Mr. Hernandez recommended that the Board table the election until the vacant director positions are filled. On that recommendation, the Board tabled the Election of Board Secretary until the next board meeting.

The next item under Old Business was the Election of Committee Chairs.

The Board agreed to table the Election of Committee Chair until the next board meeting.

The next item under Old Business was Board Stipends.

Chairman John stated the Board was under the assumption that Board Stipends were being contributed to the GEDA Employee Morale Association (GEMA). In fact, stipends were never paid the association. Furthermore, Chairman John

stated that GEDA cannot pay GEMA directly. Rather, GEDA will have to pay stipends to the Directors, issue a W-9 then contribute the funds personally to GEMA.

After further discussion, Director Chiu made the motion to forgo the board stipend until further notice. On that motion, Vice Chairman Espladon seconded. The motion unanimously passed.

The next item under Old Business was the Comprehensive Economic Development Strategy Adoption. Mr. Hernandez stated that the CEDS report is funded primarily through the EDA but GEDA has been covering some of the salaries of employees working on the report. Furthermore, Mr. Hernandez stated that he is seeking conditional adoption due to timing issues as it relates to presenting to the Governor and the Pacific Basin Development Counsel who is preparing the Regional CEDS and to ensure GEDA can apply for grants in the summer.

Mr. Hernandez discussed the major changes to the CEDS report compared to the draft provided to the Board in January. The changes were as follows:

- Overall aesthetic edits
- Reflection of the new administration's initiatives to include, agriculture development
- Inclusion of Education Tourism write-up
- Inclusion of Ordot-Chalan Pago projects (Mayor's Complex, Multi-purpose Center and Boat ramp)
- Inclusion of Mongmong-Toto-Maite project (Construction of pavilions)
- Inclusion of University of Guam project (Capital Improvement for health care facilities)
- Inclusion of Guam Community College project (Renovation of building for Culinary Arts program)
- Inclusion H2B Visa Stilled Labor write-up
- Inclusion Healthcare sector write-up
- Draft of Real Estate write-up
- Draft of Healthcare SWOT Analysis
- Draft of Spaceport interest

In addition, GEDA is waiting on projects and write-ups from the Department of Agriculture, infrastructure projects from the Guam Visitors Bureau and a waterfront project from the Piti Mayor's Office.

After further discussion, Vice Chairman Espaldon moved to grant authority to the executive director to finalize and approve any activities that need to occur for the final adoption of the CEDS report. On that motion, Director Ramos seconded the motion. The motion was unanimously approved.

There was no further business discussed.

New Business

§4. The next item on the agenda was New Business. The first item under New Business was the Revocation of Qualifying Certificate No. 240- Aviation Concepts, LLC.

Mr. Hernandez provided brief history and issues with Qualifying Certificate No. 240- Aviation Concepts, LLC.

08/15/02 - Qualifying Certificate No. 240 ("QC No. 240") was issued to Aviation Concepts, Inc. formerly known as ACI Pacific, LLC ("company") and its members: Terry W. Habeck and William E. Cavanaugh (collectively, the "Members") (Company and Members are known herein collectively as "Beneficiaries"). QC Benefits granted: **75% rebate of their corporate income tax for 17 years**

01/05/17 - Guam Economic Development Authority ("GEDA") sent a letter to the Company wherein it notified Company that it was materially non-compliant with QC No. 240 and that pursuant to 12 G.C.A. § 58111(b) Company had twelve (12) months to cure the conditions giving rise to its **non-compliance for CY14 & CY15**. Violations listed as follows:

- §3.03 & 3.04 Project Description Income and activities subject to this Certificate [§58104, §58106, §58128.3 QC Law] Business License for Aircraft Maintenance for CY14 & CY15.
- §3.04 Description of Property/Facility: Business License for Administrative Services for CY14 & CY15.
- §3.16.03 Monthly Reports [§58123, QC Law] for CY15 Oct. Nov & Dec.
- §3.16.03 Employment obligations [§58116, §58117, §58118 QC Law] §3.06.03 Wages for CY15 SWICA March, June, September and December.
- §3.09 Submission of financial statements [§58135, §58126 QC Law] Audited Financial Statement for CY14 & CY15.
- §3.09 Submission of financial statements [§58135, §58126 QC Law] Corporate Income Tax Return for CY15.
- §3.10 In-house training program [§58110(g), §58116 QC Law] Management Training for CY14 & CY15.
- §3.10 In-house training program [§58110(g), §58116 QC Law] Non-Management Training for CY14 & CY15.
- §3.11 Participation in Management Training Programs [§58146, QC Law] for CY15.
- §3.12 Affirmative Action Plan for the hiring of the disabled [§58108, QC Law] for CY15.
- §3.14 Local purchases and products [§58110(h), QC Law] for CY14 & CY15.
- §3.15 Investment in Guam [§58142, QC Law] for CY10, CY11, CY12, CY13, CY14 & CY15.
- §3.16.01 Other obligations of a public nature [§58110, QC Law] Health, Dental & Life Insurance Program for CY15.
- §3.16.02 Other obligations of a public nature [§58110, QC Law] Test of the Guam Labor Market for CY14 & CY15.
- Local Shareholders [§58110(e), QC Law] for CY15.
- Beneficiaries thereafter failed to bring Company into compliance with QC No. 240.

04/24/18 - GEDA sent a Notice and Accusation to company wherein it notified Beneficiaries that QC No. 240 was subject to revocation.

- The Notice included an enclosed Notice of Defense and informed Beneficiaries that they had fifteen (15) days to file the Notice of Defense with GEDA or else waive their right to a hearing pursuant to the Guam Administrative Adjudication Law. The Accusation stated that QC No. 240 was subject to revocation pursuant to 12 G.C.A. § 58111;
- None of the Beneficiaries filed a Notice of Defense or any other request or moving papers with GEDA;
- Pursuant to 5 G.C.A. § 9207, Beneficiaries waived their right to a hearing regarding the revocation of QC No. 240;
- Since 2003, Aviation Concepts Inc. had reported a total of \$1,392,686 or rebates/abatements from the Government of Guam.

Mr. Hernandez stated that the Guam Economic Development Authority hereby recommends that the Governor of Guam **REVOKE** Qualifying Certificate No. 240 issued to Aviation Concepts Inc. and granted in favor of Aviation Concepts Inc., Terry W. Habeck and William E. Cavanaugh. This recommendation is for the revocation of any and all benefits arising out of or appurtenant to Qualifying Certificate No. 240 in favor of Aviation Concepts Inc., Terry W. Habeck and William E. Cavanaugh. This recommendation for revocation is not in lieu of or in prejudice to any other rights, claims or actions that

the Government of Guam or any subdivision thereof may have against any or all of Aviation Concepts Inc., Terry W. Habeck and William E. Cavanaugh.

After no further discussion, Director Ramos moved to revoke QC for Aviation Concepts LLC. On that motion, Vice Chairman Espaldon seconded the motion. The motion passed unanimously.

The next item under New Business was the Revocation of Qualifying Certificate No. 251 for Grow Guam LLC.

Mr. Hernandez provided brief history and issues with Qualifying Certificate No. 251 for Grow Guam LLC.

04/17/12 - Qualifying Certificate No. 251 ("QC No. 251") was issued to Grow Guam LLC ("company") and its members: John Stewart and Paula Stewart (collectively, the "Members") (Company and Members are known herein collectively as "Beneficiaries"). Qc benefits granted: **75% rebate of their corporate income tax for 20 years**

10/12/16 - The Guam Economic Development Authority ("GEDA") sent a letter to the Company wherein it notified Company that it was materially non-compliant with QC No. 251 and that pursuant to 12 G.C.A. § 58111(b) Company had twelve (12) months to cure the conditions giving rise to its **non-compliance for CY14 & CY15**;

- §3.08 Submission of Financial Statements: Audited Financials & Income Tax Returns for CY15
 - 2015 Financial Statement and Tax Return were submitted via e-mail on 1/6/17.
- §3.09 In-house Training Program and Management Training Program for CY2014 & CY15
- §3.10 Affirmative Action Plan (Program to hire the disabled for CY14 & CY15)

04/24/18 - GEDA sent a Notice and Accusation to Grow Guam LLC wherein it notified Beneficiaries that QC No. 251 was subject to revocation.

- The Notice included an enclosed Notice of Defense and informed Beneficiaries that they had fifteen (15) days to file the Notice of Defense with GEDA or else waive their right to a hearing pursuant to the Guam Administrative Adjudication Law. The Accusation stated that QC No. 251 was subject to revocation pursuant to 12 G.C.A. § 58111;
- None of the Beneficiaries filed a Notice of Defense or any other request or moving papers with GEDA;
- Pursuant to 5 G.C.A. §9207, Beneficiaries waived their right to a hearing regarding the revocation of QC No. 251.
- **GEDA has not issued a Certificate of Compliance since the effective date of April 17, 2012 therefore Grow Guam has never availed itself of ant tax benefits.**

Mr. Hernandez stated that the Guam Economic Development Authority hereby recommends that the Governor of Guam **REVOKE** Qualifying Certificate No. 251 issued to Grow Guam LLC and granted in favor of Grow Guam LLC. John Stewart and Paula Stewart. This recommendation is for the revocation of any and all benefits arising out of or appurtenant to Qualifying Certificate No. 251 in favor of Grow Guam LLC., John Stewart and Paula Stewart. This recommendation for revocation is not in lieu of or in prejudice to any other rights, claims or actions that the Government of Guam or any subdivision thereof may have against any or all of Grow Guam LLC., John Stewart and Paula Stewart.

After further discussion, Vice Chairman Espaldon moved to recommend to the Governor the revocation of Qualifying Certificate No. 251- Grow Guam LLC. On that motion, Director Ramos seconded. The motion was unanimously approved.

The next item under New Business was the Recommendation to Charge off Loan Balances for SSBCI1006 and SSBCI1007.

Mr. Hernandez briefly discussed the collection history of Jessie Rosario dba Inspire Ad Agency. In this case of bankruptcy filing and eventual discharge in bankruptcy court, the debt is no longer collectible. The recommendation was made to write off as loss.

After further discussion, Vice Chairman Espaldon moved to authorize GEDA to charge off Loan SSBCI1006 and SSBCI1007 due to inability to collect and bankruptcy. Clarification was provided that this is the first charge off loan on the SSBCI program. On the motion, Director Ramor seconded. The motion was unanimously approved.

The next item under New Business was the Community Contribution for Guam Unique Merchandise & Art (GUMA).

Monica Guzman and Lorraine Okada of GUMA joined the table to present to the Board. After the presentation and further discussion, Mr. Hernandez stated that the request qualifies under the category of Economic Development (Promotion of Industry & Small Business) contained in QC 254 TNN Guam, Inc. dba Tsubaki Hotel "community contribution" section. The recommendation was for \$25,000 to sponsor the GUMA training, mentoring and incubator program.

Director Chiu made the motion to approve the \$25,000 grant to Guam Unique Merchandise & Art (GUMA). On that motion, Director Ramos seconded the motion. The motion was unanimously approved.

The next item under New Business was the Community Contribution for Pacific Circle Consortium (PCC).

Mr. Hernandez stated that Pacific Historic Parks is requesting for sponsorship for the 43rd Pacific Circle Consortium (PCC) Conference on July 8 – 12, 2019.

Furthermore, this request qualifies under the category of higher education/cultural preservation contained in QC 254 TNN Guam, Inc. dba Tsubaki Hotel "community contribution" section. Therefore the recommendation is to approve the allocation of \$2,000 from QC No. 254 to sponsor the Pacific Historic Parks: 43rd Pacific Circle Consortium (PCC) Conference.

Ms. Mendiola confirmed that GEDA will not be funding a federal program. The funds will benefit local teachers and librarians by lessening the cost of attendance to the conference.

After further discussion, Vice Chairman Espaldon moved to approve sponsorship of Pacific Circle Consortium. On that motion, Director Chiu seconded. The motion was unanimously approved.

The next item under New Business was the Community Contribution for Nihi! 2019 Sponsorship.

Mr. Hernandez informed the Board that Nihi is a culture-based series for children, produced by a local nonprofit Duk Duk Goose, Inc. request for funds to sponsor Nihi! 2019 program.

The recommendation was to allocate \$2,500 from QC No. 254 as a community sponsor for the Nihi! 2019 program as it qualifies under the category of higher education/cultural preservation contained in QC 254 TNN Guam, Inc. dba Tsubaki Hotel "community contribution" section.

After further discussion, Director Ramos moved to approve the \$2,500 sponsorship to Nihi! Kids 2019 Program. On that motion, Vice Chairman Espaldon seconded. The motion was unanimously approved.

The last item under New Business was the G DFA Recommendation for Carlos S. & Imelda C. Gabertan.

Tina Garcia, Public Finance Manager informed the Board of the \$50,000 loan request for Carlos S. & Imelda C. Gabertan. She presented the request to the Board and addressed concerns relative to the G DFA Loan Review.

Vice Chairman Espaldon brought attention to the Financial Review on page 3. He asked if the expenses under the average monthly cash flow included the payment request of \$1,368. Ms. Garcia stated that it did not include and that Mr. Gabertan is using his adjusted gross income to make loan payment.

Chairman John stated the requester has been in business for 29 years and has a good track record. Additionally, GEDA wants to help farmers. Mr. Hernandez stated that the G DFA loan request falls in line with the Governor's initiatives as it relates to GEDA and its promotion of the agricultural industry.

In connection with Vice Chairman Espaldon's remarks, Director Chiu stated that GEDA needs to clean up the financial review.

After further discussion, Vice Chairman Espaldon moved to approve the \$50,000 loan, 5 year maturity at 5.55% Fixed Interest Rate for borrowers, Carlos S. & Imelda C. Gabertan dba C&I Farms. On that motion, Director Ramos seconded. The motion was unanimously approved.

There was no further business discussed.

Public Comments

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

David Meredith stated an interest in developing the assisted living industry on Guam due to the lack of statutory framework. He recommended that Guam use Washington state as an example and hopes the island can move forward with necessary actions.

Additionally, Mr. Meredith spoke about the recent cannabis legislation. He stated that Guam can use its unique position and characteristics to market to pharmaceutical companies to conduct research. Furthermore, he recommended that GEDA sponsor a forum or conference to bring in pharmaceutical companies and investment banks.

Director Ramos commented on assisted living. She stated that former Senator Rodriguez formed a committee a few years ago that comprised of different professionals. She further stated that Dr. Vince Akimoto would be resource to ask about the committee. Mr. Meredith stated that pursuant to the study conducted by the committee, the state of

Washington was recommended as the best legislative model to follow. Director Ramos stated that a drawback of assisted living was who would pay for that service.

It was mentioned that Public Health, DPW and GFD would usually oversee the parameters for assisted living.

After further discussion, Mr. Hernandez stated the GEDA will reach out to Mr. Meredith once the CEDS is finalized.


Mr. Hernandez moved on to discuss a tentative dates for the board meetings. The Board agreed to wait for the new board appointments before creating a schedule. Additionally, the Board agreed that morning meetings work best.

Tentative date for the May board meeting is May 23, 2019 at 9:30am.

There was no further business discussed.

Adjournment

§11. After further discussion there was a recommendation to adjourn the meeting. On motion duly made by Director Chiu and seconded by Director Ramos at 11:29 a.m., the meeting was adjourned.



DAVID JOHN, Chairman
Board of Directors

ATTEST:



GEORGE CHIU, Director
Board of Directors