



**Minutes of Regular Meeting to the Board of Directors of the  
Guam Economic Development Authority  
July 15, 2021**

***Call to Order***

- § 1. The regular meeting of the Board of Directors of the Guam Economic Development Authority (“GEDA” or the “Authority”) was held on Thursday, July 15, 2021 at the hour of 2:01 p.m., at the GEDA conference room, Suite 511, GITC Building, Tamuning, Guam. The meeting was called to order by Chairman David John to consider items on the Agenda.

***Inifresi***

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

***Quorum and Attendance***

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

| <b><i>Directors:</i></b>   | <b><i>Office or Position:</i></b>   |
|----------------------------|-------------------------------------|
| David John                 | Chairman                            |
| Ernesto Espaldon           | Vice Chairman                       |
| George Gia Chiu            | Director                            |
| Siska Hutapea              | Director (via video teleconference) |
| Mel Mendiola               | CEO/Administrator                   |
| Joann G. Camacho           | Deputy Administrator                |
| Georgette Bello Concepcion | Legal Counsel                       |
| <b>Absent:</b>             |                                     |
| Deepak Dewan               | Director                            |
| Fe Valencia-Ovalles        | Director                            |

Also in attendance were:

|                   |      |
|-------------------|------|
| Claire Cruz       | GEDA |
| Ariana Villaverde | GEDA |
| Edward Camacho    | GEDA |
| Diego Mendiola    | GEDA |
| Christina Garcia  | GEDA |
| Yong Pak          | GEDA |

|                       |   |
|-----------------------|---|
| Jennifer Calvo-Guzman | GEDA  |
| Tony Muna             | GEDA  |
| Therese Santos        | GEDA  |
| Mike Carlson          | Office of Senator Clynt Ridgell (via video<br>teleconference) |
| Gerry Partido         | Pacific New Center (via video<br>teleconference)              |
| Morgan Legel          | Glimpses of Guam (via video teleconference)                   |
| Steven Limtiaco       | Pacific Daily News (via video<br>teleconference)              |
| Andrew Park           |   |
| Cecille Flores        |   |

### *Approval of Agenda*

- § 4. The first item considered was amending today's Agenda to change the sequence of agenda items, more specifically, to move new business to the top of the Agenda. Motion was made by Vice Chairman Espaldon, and seconded by Director Chiu to first discuss RFP 21-00, then go directly into Executive Session with the approval of the Minutes to follow. The motion unanimously passed.

### *New Business*

- § 5. The only item under New Business was RFP21-006, Proposed Financing or Interim Financing for the construction of a multipurpose center on behalf of the Ordot Chalan Pago (OCP) Municipal Planning Council (MPC). Tina Garcia reported on the matter to the Board. GEDA seeks financing for this project from the USDA. However, the USDA requires two things: 1) that Guam first seek financing locally; and 2) if USDA approves the loan, GovGuam will need to obtain interim financing for the construction phase of the project. Financing will not exceed \$3M. RFP 21-006 was issued on June 14, 2021 with a deadline to submit proposals no later than July 2, 2021 at 4 p.m. Chamorro Standard Time. Only one response was received for the interim financing. The sole proposal was by the Bank of Guam. The Finance Committee seeks the Board's approval to negotiate and award the RFP to the Bank of Guam.

Vice Chairman Espaldon inquired as to how GEDA advertises its RFPs for financing. Tina Garcia reported that GEDA maintains a running list of on-island lenders and other lenders the USDA has worked with in the past. Notice of the RFPs are emailed to each of these lenders and RFPs are also advertise in a local newspaper.

Director Chui inquired as to the source of funds available to the OCP MPC to service the loan. OCP is the host village of the Ordot Dump and receives compensation for hosting the Dump. By law the OCP MPC receives a minimum of \$150,000 per year of tipping fees collected. The OCP also has cash reserves from accumulation of host fees. A motion to authorize the Finance Committee to negotiate and award the RFP to Bank of Guam was made by Vice Chairman Espaldon, and seconded by Chiu. The motion unanimously passed.

*Executive Session*

§6. The Board went into Executive Session after clearing the conference room.

*Approval of Minutes*

§ 7. After adjourning the Executive Session, and reopening the conference room to the public, the Board considered the approval of the minutes. Director Chiu made a motion to approve the June 17, 2021 minutes which was seconded by Vice Chairman Espaldon. The June 17, 2021 Board Minutes were unanimously approved.

*Chairman's Remarks*

§ 8 Chairman John reported the following:

- a. The Chairman is glad to see the new wave of visitors coming through Guam.
- b. GEDA and GVB have entered into a joint venture to fund a Taiwan Trade Office. The purpose of the Office will be to promote agriculture, aquaculture, healthcare, technology and other areas. The Chairman will be joining the Governor in D.C. next week and meeting with Google Cloud to discuss some initiatives.
- c. In support of agriculture and aquaculture, GEDA is working with the Farmer's Co-op on multiple fronts and it looks like we will be having local produce in our food commodities coming soon. GEDA is also working in partnership with GDOE and Pacific Unlimited. GEDA is working through some existing legislation to set aside for farmers to support food pantry initiatives which have yet to be enacted.
- d. Medical Campus Finance Committee lead by Tina Garcia is providing talking points to the Governor for a D.C. trip regarding the goal to get at least 20% of the project funded by federal granting agencies such as The Office of Insular Affairs and others.
- e. Small Business Pandemic Assistance Grant 2021 is awaiting final word from the Office of the Governor regarding approval of federal rules and funding. Nothing new to report since last Board meeting.
- f. Six entities were awarded six grants totaling \$106,000 under the STEP grant program from the SBA to existing small businesses interested in export business. One of these businesses will present at a major trade show in South East Asia which will be funded by STEP grant funding to get more source customers.
- g. Public Finance Committee will be doing an Investor Road Show and Rating meeting this month for the refinancing of GIAA \$145M with a prospective savings of \$7.8M.

*CEO's/Administrator's Remarks*

§ 9. CEO/Administrator Mendiola reported the following:

- a. GEDA issued an RFP to build a new and improved website. The contract is being negotiated.
- b. GEDA is working on an RFP for integrated marketing and services contract. The RFP is still under review and it is expected to be issued in the next few days.
- c. The RFP for the Hagatna Pool Repair and Rehabilitation closed with two submissions. The contract is being negotiated.
- d. On July 8, 2021, GEDA presented on all of its incentive programs including the QC and loan programs along with the Guam Department of Labor who also presented on its own programs during a meeting hosted by the Guam Chamber of Commerce.
- e. On July 12, 2021, a confirmation hearing on the appointment of Andrew Park to the GEDA Board was held before the Legislature. The hearing went well and it is anticipated Mr. Park will be confirmed.
- f. GEDA was asked to participate in a hearing on July 19, 2021 before the Legislature regarding the authorization of a lease/lease back for construction of a new Department of Corrections facility. This project is still in the planning phase and GEDA is helping where it can. This project is a strategic directive between the Governor's Office and DOC.
- g. GEDA is assisting the Governor in preparing for a meeting in D.C. in a week where the Governor will be advocating for 20% to 30% federal grant funding from federal agencies for the construction of the Guam Medical Campus. GEDA is also assisting the Governor with advocating for the wider use of H2 Visas in MDAA aligned projects and federal land issues and how they meet the Governor's objectives.
- h. GEDA will be championing its request for ARP funding, economic working group requests and other incubating group funding requests.
- i. Nine interns were hired at GEDA through the Day Intern program.

*Committee & Standing Reports*

§ 10. The following committee reports were made:

- a. Vice Chairman gave the report on behalf of the Investment Committee. Attached to these minutes are the Vice Chairman's Cumulative sum of GEDA accounts is up \$1.2B. Balance of GEDA accounts is \$31.1M of which the lion's share of restricted funds for GEDA's loan programs with a little in reserves.

- a. Diego Mendiola, Real Property Division Manager. Nothing to report that requires Board action. The Real Property Division Committee Report is attached to these minutes.
- b. As to other Standing Committee Reports, CEO/Administrator Mendiola mentioned the Reports were included in today's meeting packet. These reports are attached to these minutes.

### *Old Business*

- § 11. Small Business Pandemic Assistance Grant 2021. CEO/Administrator Mendiola gave an update on the Small Business Pandemic Assistance Grant 2021. The Governor is interested in rolling out this program but working on the funding. Initially, Guam requested \$30M to \$35M in relief funding but if Guam is given \$17M to \$18M, distribution of the funding will need to be addressed to make the bulk of the funding work for businesses.
- § 12. Restaurant Relief Funding. The first round of RRF has been exhausted and there is concern that some smaller businesses did not apply for said funding due to IRS reporting requirements. The Committee wants to know whether it can adjust the application to inquire as to whether the applicant received or did not receive funding from the first round, whether the SOPs can be revised as to eligibility, and whether the businesses who did not receive funding from the first round can be a priority in the event another round of RRF is available. There was discussion about making businesses who did not get funding from the first round of RRF priority for additional funding. No Board action is required at this time.
- § 13. GEDA Website and Communications. CEO/Administrator Mendiola reported that because GEDA wants to be more focused and strategic in improving its website and communications, the RFP is still being reviewed before it is released. A budget modification may be presented to the Board at next month's meeting.
- § 14. Star Press Building. Director Chiu inquired as to the status of the lease for the Star Press Building property as there is a concern as to the loss of revenue for three years while the property sits idle. Diego Mendiola reported that because of Guam's 5-year maximum lease law, the lease was submitted to the Legislature via then Senator Regine Biscoe Lee for action some time ago but that no action was taken within 60 to 90 days from when it was submitted. Diego Mendiola was instructed to re-engage with Senator Joe San Augustine as Tai Fa is still interested in leasing the property.
- § 15. Medical College Campus (Hospital). CEO/Administrator Mendiola reported that the Task Force met a couple of days ago and discussed financing of the project which will include federal funding. The Governor will be going to D.C. to advocate for federal funding. Diego Mendiola reported that NAVFAC is partnering with the Guam Department of Land Management regarding the completion of surveys which include land, infrastructure, environmental and unexploded ordinances, which will be funded by GSA. NAVFAC indicated the land survey is priority which should be completed by the end of September.

Once the land survey is done NAVFAC will work on issuing a license to the GovGuam to begin its work. NAVFAC is open to as long a lease period with GovGuam to get the necessary financing as financing is dependent on the length of the lease. CEO/Administrator Mendiola reported that Matrix is looking at the medical and health services delivery part of the project but it has not been able to move tis work forward to the distraction of the medical community caused by the recent medical malpractice bill.

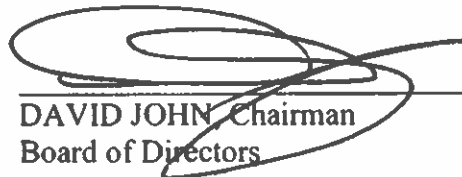
- § 16. Qualifying Certificates. Director Chiu brought up the issue of whether GEDA was on track with getting the abatement of the GRT on QCs. CEO/Administrator Mendiola reported that the Governor recently executed an Executive Order lifting the moratorium on QC renewals, etc. GEDA is working with Senator Joe San Augustine to remove the GRT language from the budget bill for next fiscal year. The Hotel Renovation QC matter has not been reported out of legislative committee yet although a public hearing was held. GEDA will follow up with some of the senators as to the status of the matter.
- § 17. Director Chiu requested the rescission or revocation of QCs which have had no movement be included in next month's Board meeting as there is concern that existing QC holders may be subject to criticism due to the lack of activity of a few of approved QC holders who have not made any progress or movement.
- § 18. CEO/Administrator Mendiola reported that a QC Report is included in today's Board packet and that for the next meeting the Report will be put into the form of a spreadsheet and presented to the Board for review.

*Public Comments*

- § 19. There were no public comments.

*Adjournment*

- § 20. Director Chu motioned the meeting be adjourned and was the motion was seconded by Vice Chairman Espaldon. Adjournment of the meeting was unanimously approved.

  
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DAVID JOHN Chairman  
Board of Directors

Attest:

  
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ERNESTO ESPALDON, JR., Vice Chairman  
Board of Directors