

LOURDES A. LEON GUERRERO

Governor of Guam
I Maga Haga Guahan

JOSHUA F. TENORIO

Lt. Governor of Guam
I Segundo Na Maga Lahen Guahan



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

JOANN G. CAMACHO
Deputy Administrator
Sigundon Atmenestradora

**Minutes of Regular Meeting to the Board of Directors of the
Guam Economic Development Authority
January 20, 2022**

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, January 20, 2022 at the hour of 1:35 p.m., at the GEDA conference room, Suite 511, ITC 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 David John, the following individuals were present:

Directors:

David John
Ernesto (Jun) Espaldon
Siska Hutapea
George Chiu
Andrew Park
Melanie Mendiola
Joann G. Camacho
Terrence M. Brooks

Office or Position:

Chairman
Vice Chairman
Director and Secretary
Director
Director (via video teleconference)
CEO/Administrator
Deputy Administrator
Legal Counsel

Also, in attendance were:

Jennifer Calvo – Guzman	GEDA
Yong Pak	GEDA
Diego Mendiola	GEDA
Claire Cruz	GEDA (via Zoom)
Ariana Villaverde	GEDA
Ed Camacho	GEDA
Michael Carlson	Office of Sen. Ridgell’s Office
Morgan Legal	Glimpses of Guam

Absent (Excused):



Fe Valencia-Ovalles

Director

Approval of Agenda

- § 4. Director Siska Hutapea made a motion to approve the agenda. The motion was seconded by Vice Chairman Ernesto (Jun) Espaldon. The motion was unanimously passed.

Approval of Minutes

- § 5. Motion was made by Director Hutapea and seconded by Director George Chiu to approve the December 20, 2021, board meeting minutes. The motion was unanimously passed.

Chairman Remarks

- § 6. Before reporting his remarks, Chairman David John informed that his remarks will be brief. He then reported the following.
- a. Chairman John welcomed the Board to the first meeting of 2022. At the last meeting, GEDA adopted the SOP for the Local Employers Assistance Program, also known as LEAP. GEDA announced its first awardees on December 23rd, in time for Christmas, in a meeting of the office of the Governor. Administrator Melanie Mendiola will be updating on this as well as closing out the Pandemic Assistance Grants from 2021 and the rental assistance grants.
 - b. For the qualifying certificate community contribution grant program, recalling from the last month, GEDA accepted most of the recommendations of the evaluation committee. Thank you to Director Fe Valencia-Ovalles, who is unable to meet with us today. The awardees were invited up to Adelup on December 29, 2021 for the award ceremony with the Governor.
 - c. Administrator Mendiola will also report today on the Child Care Assistance Program Stabilization 2021. GEDA was brought to help the Department of Public Health and Social Services to help get it off the ground. GEDA had a tight turnaround time; it was authorized in November with a December deadline. The team presented a total of forty-two (42) day cares with \$16.8 million dollars. The office was so pleased with the turnaround time and the process that GEDA has been brought in to potentially handle more grant funding to build the capacity for the childcare industry in an amount of \$96.2 million dollars.
 - d. This morning, GEDA attended a public, for Bill 212-36 – Legislation to approve the refunding of the GPA revenue bonds in the amount of \$296 million dollars. GEDA encourage swift movement on this, as the FED is expected to raise rates on the coming quarter. The savings achieved is to be an estimated \$15.3 million dollars in net present value which equates to about 5.34%.



- e. In preparation for submitting the application for the State Small Business Credit Initiative Program, SSBCI, the team has asked the Board for assistance in Ad-hoc Working Group. Director and Vice Chairman Espaldon and Chairman John have volunteered to support this effort with Vice Chairman Espaldon as Chairman. The objective is to guide the design of the venture capital arm of the program. GEDA has run the SSBCI program since 2011. The American Rescue Plan authorized an addition \$10 billion dollars for the SSBCI with Guam's allocation coming out to \$59 million.
- f. Despite the Omicron variant hampering the agency, GEDA is pressing forward.

CEO's/Administrator's Remarks

§ 7. Administrator Melanie Mendiola reported the following:

- a. As Chairman John has said, Omicron is presenting quite a challenge. GEDA has had a number of employees over the last few weeks who have either tested positive or reported to be in close contact with an individual who was. GEDA is dealing with that right now, however, thankfully, symptoms of those who have tested positive have not been severe and GEDA operations are currently rotating. There is a rotation schedule; some of the staff are working from home, GEDA's most vulnerable employees by health status, two individuals, are working from home – 100% – whilst the rest are rotating, and the Deputy Administrator and Administrator Mendiola coming every day with a few key employees.
- b. Despite these challenges, GEDA managed to push out just under \$20 million in funding to the community. The bulk of which was the childcare grant. GEDA is also aiming for another \$20 million in LEAP approvals this month.
- c. 2022 is shaping up to be a busy year, as Chairman John has mentioned, GEDA is assisting public health in building of capacity of the childcare industry and helping them push out a \$96 million in aid in multiple programs. GEDA is also working with GDOE's Superintendent who has about a \$120 million dollars to spend in CIPs as well as the construction of Simon Sanchez High School.
- d. Governor Leon Guerrero recently received explicit guidance that building the hospital was approved under ARP, GEDA is very involved in that project and, of course, SSBCI. Any grants GEDA has applied for are in the pipeline. An unprecedented amount of money will be flowing through GEDA over the next six months.
- e. The Board's approval is also requested for the MOU with the Guam Ancestral Lands Commission to help their investment committee. For a few years, they will



Everyone who has been approved has been notified and everyone who has not been approved, ineligibles, should have been notified and can be applying for their reconsiderations within the next few weeks. This is the final report on this. GEDA had one thousand nine hundred twenty-eight applications (1,928), one thousand five hundred and seven (1,507) eligible applications, three hundred and eighty-seven (387) were ineligible. The number one reason for being ineligible was not enough business interruption. Some applicants actually made more money. The total award to date has been \$16.624 million dollars so what GEDA does with this juncture is that GEDA gives their final report as well to the Governor and then she tells GEDA what to do with the remainder of the funding. Administrator added that GEDA has some ideas.

- b. Child Care Assistance Program – Stabilization 2021.** As mentioned earlier, forty-two (42) daycares, \$16.8 million dollars. One thing of note, this particular pot of money came directly from the Feds; this did not pass through the Governor's or GEDA's bucket. Although it is ARP funded, it is a special program that goes directly to public health and so that's how GEDA came into the program. Public health will be presenting to GEDA on what the eligibility is because it comes from four or five different pools of funding. The four or five different pools of funding cover different stakeholders. One pool is for programs that have to do with the youth for example karate classes or jujitsu classes. Those would qualify for some money. There's another one for homecare providers so if one may not be the oversight of public health but let's say that individual has four kids and they are paying them for tuition, they have a business license but is not on that level to be license under public health, that would be another pot of money. The purpose for that pot of money is to ramp up those homecare providers to be at the level that they can accept more kids. The number of kids covered in these forty-two (42) daycares are only 6% of the daycare population. The rest are being taken care of, who knows, at home by aunties, uncles, or grandmas. The lens that GEDA is looking at with this industry through at this juncture is through the lens of building the childcare industry – this is how GEDA is approaching this. However, Public Health is sharing with GEDA on what they would like to do like their objectives, the Governors goals, and GEDA's experience that can be brought into to carry out the \$96 million dollars.
- c. Local Employers' Assistance Program. LEAP.** GEDA has received nine hundred and eighty-eight applications. The total that are going to be transmitted downstairs by Monday, December 20th, is going to be two hundred and twenty-three – totaling to \$12.187 million dollars. The first batch will be processed immediately for the Category B's, those with five or more employees, totaling \$8 million and then the following Monday, Category A, four or less employees, a total of hundred and twenty-seven (127) applicants will be processed totaling up to \$2.2 million.
- d. Growth Accelerator Program. GAP.** Nothing on this category except for the notice of funds that will be published soon for the incubator program.



§ 13. Approval of Guam Ancestral Lands Commission Memorandum of Understanding for Investment Services by Vice Chairman Ernesto (Jun) Espaldon.

- a. Chairman John commented that the Directors had talked about this since the last administration in how GEDA can be helping some of the other agencies that are not as financially sophisticated when it comes to investments, especially with the rates and the way they are; in TCDs and such with the banks to make sure they are earning a little bit more on their money and safeguarding it. This is a good thing. Chairman John asked if there were any questions for Vice Chairman Espaldon and his team or Administrator Mendiola and her team, however, there were no questions. Chairman John then asked if Vice Chairman Espaldon would like to make any comments to which Vice Chairman Espaldon stated that he is looking forward with helping out Guam Ancestral Lands Commission as well as working together on this project. A motion was made for the approval of Guam Ancestral Lands Commission Memorandum for understanding for investments services by Director Hutapea, the motion was seconded by Director Chiu. The Directors had voted and the motion to approve unanimously passed.

Public Comments

- § 16. There were no public comments.

Adjournment

- § 17. Director Chiu moved the meeting to be adjourned and it was second by Director Hutapea. Adjournment of the meeting was unanimously approved.



ERNESTO V. ESPALDON, JR.
Vice Chairman, Board of Directors

Attest:



SISKA HUTAPEA
Secretary, Board of Directors