



Aturidád Inadilânton Ikunumihan Guahan

**Minutes of Regular Meeting to the Board of Directors of the
Guam Economic Development Authority
January 16, 2025**

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 16, 2025 at the hour of 1:30 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 David John, the following individuals were present:

<i>Directors:</i>	<i>Office or Position:</i>
David J. John	Chairman
Ernesto Espaldon Jr.	Vice Chairman
Siska Hutapea	Secretary (tardy)
Andrew Park	Director
Dr. Doreen Crisostomo-Muna	Director
Shinsaku Taira	Director
Melanie Mendiola	CEO/Administrator
Carlos P. Bordallo	Deputy Administrator
Terrence M. Brooks	Legal Counsel

Also, in attendance were:

Daisy Mackwelung	GEDA
Johanna Pangelinan	GEDA
Angela Reganit	GEDA
Angelene Rios	GEDA
Bernice Torres	GEDA
Christina Garcia	GEDA

Antoinette Leon Guerrero	GEDA
Ed Camacho	GEDA
Mary Camacho	GEDA
Melvin Tabilas	GEDA
Diego Mendiola	GEDA
Jennifer Calvo-Guzman	GEDA
John San Nicolas	GEDA
Gloria Molo	GEDA
Yong Pak	GEDA
Marie Reyes	GEDA
Tria Chang	GEDA
Patrick Guzman	GEDA
Patrick Alvarez	GEDA
Christina Merfalen	GEDA
Tara Murakami	GEDA
Mahi Anderson	GEDA
Raeann Lefever	GEDA
Ricardo Duenas	GEDA
Pinki Lujan	GEDA
Karl Pangelinan	Vertical Industries
Adam Pangelina	Vertical Industries
Akilio Tani	Fisher Marine Park
Senator Telo Taitague	Oversight Chair - Zoom
Keith Taliugyan	Senator Taitague Office - Zoom

Approval of Agenda

- § 4. The motion to approve the agenda was made by Vice Chairman Ernesto Espaldon Jr., and was seconded by Director Andrew Park. The Directors then voted, and the motion was unanimously passed.

Approval of Minutes

- § 5. The motion to approve the November 2024 board minutes, was made by Director Andrew Park, was seconded by Vice Chairman Ernesto Espaldon Jr. The Directors then voted, and the motion was unanimously passed.

Chairman's Remarks

- § 6. Chairman David John reported the following:
- a. Chairman John welcomed the Board to the first meeting of the new year and also welcomed to Director Taira, who was confirmed last month. He also congratulated and welcomed GEDA's new Oversight Chairwoman for the 38th Guam legislature, Senator Telo Taitague.

- b. Since Thanksgiving, the agency has been very busy pressing forward with several initiatives. Compliance launched our QCC grant program. Public Finance and Business Development have been focusing their attention on Destinu, Guahan which is our venture Capital program, which will be meeting later today. The Small Business Division closed out the application period for the State Trade and Export program, which provides support to businesses seeking to export their goods out of the country. GEDA has some new participants in the program, which is actually very exciting. We also have at least one participant from the last group that actively distributed their products at multiple outlets in Palau. We hosted a small business roundtable for sports, tourism, experiences to get the feedback from the small businesses to get input on how we can enhance sports tourism-related projects. We'll provide feedback later today. External to the agency, the governor continues to call on us to assist on several different fronts, most notably the hospital. Talofofo just hosted a ribbon cutting ceremony and sent their huge thanks to the agency. Talofofo Village has been a terrific partner with the restoration of the basketball court. It's good to see the QC money going back into the parks and welfare for the kids.
- c. Administrator Mel and myself and public finance manager Tina have also been busy helping GVB to aid the launch of the next bond project. Our role with that will be on the finance side of it. The buildup is great, but it's not going to be here forever. Tourism, hopefully, is here forever, not only driving economic growth, but also a lot of our quality of life. We need to make sure we get behind this. If you recall, we were very much involved in the last hotel occupancy tax (HOT) bond. We used that money for the Farmers Co-op, the museum, the restoration of two Southern monuments, and a number of other projects around the island. We're right now reaching out to the stakeholders in the community to find out what's important. Then as GVB brings in their new general manager, gets their plan in place, we'll work with them to see what's important to them, and then we will work with them to bring it to the legislature on how we are proposing financing the needs of the program and such. The team is also looking into projects we're funding outside of HOT.

CEO/ Administrator's Remarks

§ 7. Administrator Melanie Mendiola reported the following:

- a. We are very excited to be launching our Destinu Venture Capital program with our first meeting. So this has been in the works for already two years between the writing of the grant application, the receiving, going through the trainings, vetting the rules. The Treasury Department, once upon a time, issued a loan program called SSBCI. It stands for State Small Business Credit Initiative. States used it for lending, for backing loan guarantees like the SBA, or they could use it as well for venture capital. GEDA opted to use the first round, SSBCI 1.0, specifically for lending. There are a number of businesses around the island that were SSBCI funded. During COVID, treasury announced a second round of SSBCI. Guam got the same as some small states. So proportionately, we got a lot. We have been authorized for 48 million for this program in several tranches. We decided to try venture capital this time around. The team has been undergoing some training, and we do approach it similar to our lending programs, where there's a credit

committee that vets the business, the applicant. And from there it's presented. But the Destinu, the venture capital organization, is basically a wholly owned company of GEDA. Destinu becomes a shareholder of respective businesses. If your business is a \$1 million business, you put in \$500,000 SSBICI, Destinu puts in \$500,000, we become partners, 51, 49%. Usually, the person who is starting the company must have the majority stake, and there must be an exit plan associated with it, meaning the government is not interested in owning your business for the next 30 years. They just want to get this money out on the street, stimulate the post-COVID economy. You're mandated to have some type of buyout plan in your plan within 10 years. So we're really excited to do that today.

- b. Aside from that, as Chairman John said, we also hosted a tourism roundtable for small business. Guam Visitors Bureau is sending a survey out to its members about prospective HOT projects. They're also meeting with industry stakeholders such as GHRA and the GTTA. They came up with one or two projects that we thought were really good. GEDA is also working with the governor on the Guam Memorial Hospital project. Right now, it's still preconstruction, infrastructure phase. GWA & GPA have given some preliminary assessments of what they thought would take load-wise and capacity-wise to build a medical campus in Mangilao. As that gets further along, we will brief the board accordingly.
- c. Lastly, we did have a wonderful meeting yesterday with our oversight, Senator Taitague. One of the areas that she pointed out that she has a special interest in is cyber security. Our chairwoman says that she'd like to see the government of Guam have an incredibly high level of cybersecurity. She has asked us to look in as we continue to look for grant opportunities for the hospital, for SEDs, for all our other projects, to keep this in mind if anything comes up to bring it to our attention so we can put together a team on this.

§ 8. Director Dr. Doreen Crisostomo-Muna reported the following:

- a. We talked about increasing the Agriculture Development Fund because I think it was limited. It was in the minutes, but there was no action. The legal counsel said that we couldn't do anything last month, or the last meeting is because it wasn't on the agenda. I'd like to make sure that this item will be on the agenda next month.

§ 9. Chairman David John reported the following:

- a. He met in Palau over the weekend with some aquaculture people about the program as far as working with UOG to help replenish Guam's fish stock. The tourism recovery moves on, part of the process is going to be beautification. We've discussed how do we work with farmers to help to be involved with beautification. The island is obviously beautiful, but how to help make the island even more beautiful by planting more trees and flowering plants and such. If we can make that a crop, I know it's not a food crop, but if we can make it a monetary crop so that the farmers start to have some a cash flow knowing that if they plant certain plants and/or trees that's quarterly, monthly, annually,

depending on their crop, that they're going to have some cash flow behind that and to tie all this together in a way that would create a multiplier effect.

Committee Report

§ 10. Administrator Melanie Mendiola reported the following:

- a. The only one I wanted to point out in the committee report is the podcast. Siska remains the most popular by social media engagement. However, Chairman John's has the most downloads. But overall, the David and Siska show have reached 24,400 individuals on Instagram between the months of August and January, and 7,000 people via Facebook. We're in the planning stage for season 2. If you have any feedback, please share with us.

New Business

§ 11. Administrator Melanie Mendiola reported the following:

- a. Administrator Mendiola discussed the process for the selection of the financing team for RFP 25-001, Guam Waterworks Authority, Short-Term Construction and Infrastructure Financing Program. These included things such as Bans, Tans, bond anticipation notes, commercial papers, and other short-term instruments. Guam Waterworks Authority was interested in having multiple types of financial instruments available to them.
- b. After analysis and review of the seven presentations, in consultant with GWA, they've requested the selection of four firms to support this huge item. GWA also noted that they will continue to discuss and negotiate over the coming weeks. They must present this plan to PUC, and again, in support of their next five-year CIP plan.

§ 12. The Motion to approve Selection of the finance team for RFP 25-001, Guam Waterworks Authority Short-Term Construction and Infrastructure Financing Program was made by Director Andrew Park, was seconded by Vice Chairman Ernesto Espaldon Jr. The Directors then voted, and the motion was unanimously passed.

§ 13. Antoinette Leon Guerrero reported the following:

- a. The Board was asked to consider a loan settlement offer for Elsa Payumo Ulloa. The loan was to start a business that was unsuccessful. A stipulated judgment and payment order was entered in a contested bankruptcy case in the amount of 100,000 against Ms. Ulloa and her ex-husband. GEDA accepted an offer from Mr. Edward Ulloa in 2014 and released him from stipulated judgment and upon payment of \$80,000 in installments. Ms. Elsa was making payments on the remaining balance but COVID and the gym where she conducted basketball camps was destroyed so she has been unable to work or make payments. Ms. Ulloa has proposed a settlement of \$10,000 to GEDA in exchange for releasing her from the rest of the loan obligation. The balance of the loan is \$30,132.

§ 14. The Motion to approve the loan settlement offer was made by Vice Chairman Ernesto Espaldon Jr, was seconded by Director Andrew Park. The Directors then voted, and the motion was unanimously passed.

§ 15. Administrator Melanie Mendiola reported the following:

- a. Ms. Mendiola presented Resolution 25-004. Relative to commending Ms. Daisy Mackwelung for exemplary service while employed at the Guam Economic Development Authority.

§ 16. The Motion to approve the Resolution 25-004 was made by Secretary Siska Hutapea, was seconded by Director Andrew Park. The Directors then voted, and the motion was unanimously passed.

Public Comments

§ 19. There were no public comments.

Adjournment

§ 20. A motion for the meeting to be adjourned was moved by Vice Chairman Ernesto Espaldon Jr., was seconded by Director Andrew Park. Adjournment of the meeting was unanimously approved.



DAVID JOHN, Chairman
Board of Directors

Attest:



SISKA HUTAPEA
Secretary, Board of Directors