

CITIZEN CENTRIC REPORT

FISCAL YEAR 2024
OCT. 1, 2023 – SEP. 30, 2024



Aturidád Inadilánton Ikunumihan Guahan

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ABOUT US

Guam Economic Development Authority (GEDA) a public corporation (12GCA Chapter 50), was created by enabling legislation on August 21, 1965, under Public Law 8-80. Under P.L. 8-80, the Authority has been given rather broad responsibility to the centralized direction, control, and supervision of an integrated plan for the economic development of Guam. GEDA focuses on key areas including new industry development, local business support services, compliance monitoring for tax credit and tax incentive programs, commercial loan programs, and government real property management. Additionally, GEDA is the Central Financial Manager for the Government of Guam and assists agencies with financial advisory services, capital financing, debt management, and annual financial reporting on debt instruments.

OUR LEADERSHIP

BOARD OF DIRECTORS

David J. John **Chairman**
Ernesto V. Espaldon, Jr. **Vice Chairman**
Siska S. Hutapea **Secretary**
Doreen Crisostomo-Muna **Director**
Andrew Park **Director**

EXECUTIVE MANAGEMENT

Melanie Mendiola **CEO / Administrator**
Carlos Bordallo **Deputy Administrator**

OUR WORKFORCE



38

Personnel
FY 2023: 38
FY 2022: 51

OUR CLIENTS



2,500+

Businesses & Non-Profit Organizations



70

Government Organizations

OUR MISSION

GEDA's mission is to develop a sound and sustainable economy through innovative programs that preserve and promote local culture, economic opportunities, and quality of Life.

In 10 years, Guam has a robust 3rd industry, a vibrant and diverse small business community, where the economy supports a highly affordable quality of life for the people of Guam.

OUR GOALS

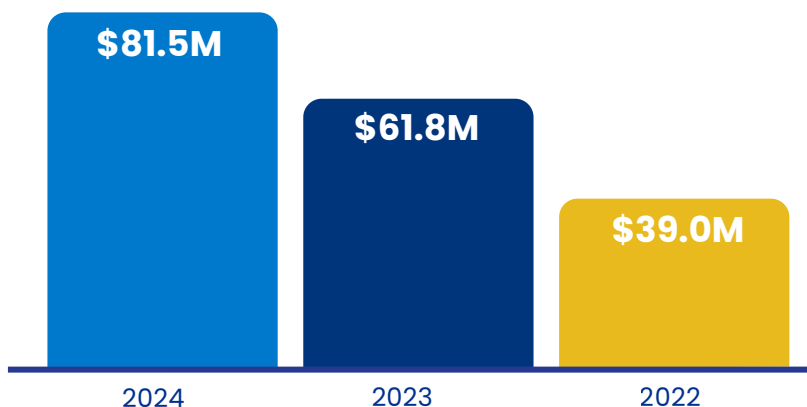
- 1** Advance Guam's economy by developing emerging industries, expanding existing ones, and promoting investment, tax incentives, workforce growth, and local entrepreneurship
- 2** Ensure compliance with terms outlined in contracts to avail of tax benefits with the Department of Revenue and Taxation.
- 3** Provide financial assistance opportunities as a lender of last resort to create, expand, and promote the workforce and economic development.
- 4** Support the local economy by providing leasing and/or development opportunities on public-owned properties.
- 5** Address the financial needs stemming from capital improvement or liquidity management of various agencies of the Government of Guam in its entirety.



ECONOMIC ASSISTANCE

GEDA administered **\$81.5 Million** in direct economic assistance through several grant programs.

Grant Funds Administered



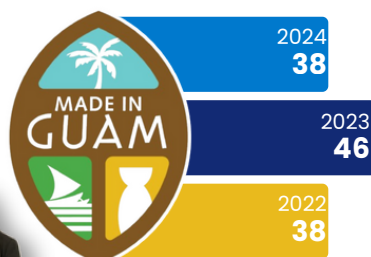
Grant Applications Awarded per Program

Local Employers' Assistance Program Supplemental Grant 2024*				2024
				335
Child Care and Development Block Grant Program (Extension)	2024	2023	2022	
	3,195	358	1,073	
Early Childhood Workforce Retention Grant	2024	2023	2022	
	902	354	33	
Community Care Summer Grant Program 2024*				2024
				89

*Launched in 2024, no prior data available

INDUSTRY DEVELOPMENT

TRADE MISSIONS attended to promote **investment and economic diversification** for Guam in the United States, Korea, Palau, and Japan.



GUAM PRODUCT SEAL (GPS) Permits Issued

to advance local manufacturing and develop Guam's economy

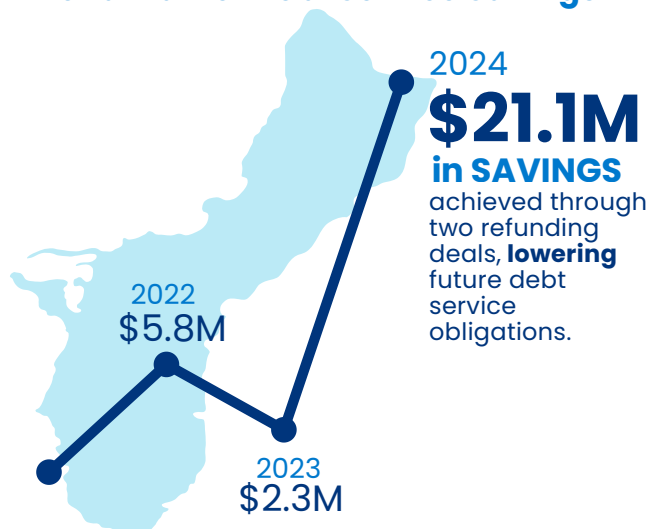
SMALL BUSINESS DEVELOPMENT

Promoted Guam internationally for the third consecutive year at trade shows, including **ASD Market Week 2024**, and supported local businesses with trainings, missions, and export financing through the **STATE TRADE EXPANSION PROGRAM**



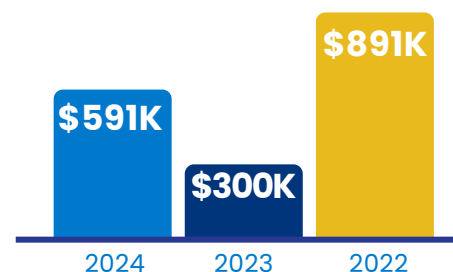
PUBLIC FINANCE

Bond Market Debt Service Savings



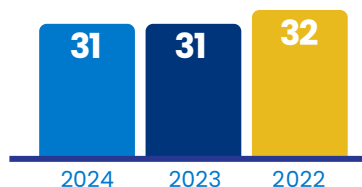
COMPLIANCE

\$591K in Tax Credits Issued

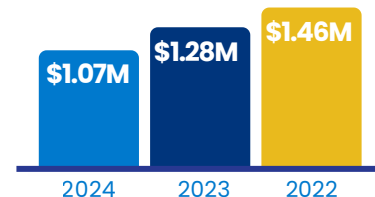


REAL PROPERTY

Active Leases



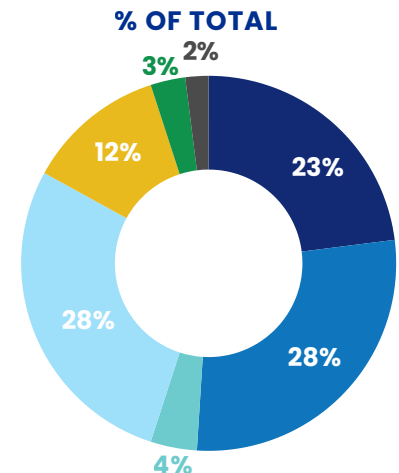
Lease Revenues Granted



REVENUE

GEDA's primary operating revenues include rental income from Industrial Park properties, application and surveillance fees from qualifying certificate beneficiaries, and the Guam Ancestral Lands Commission's property management. Bond fee revenues rely on Legislatively approved financings and are not a steady revenue stream. In FY 2024, a total of 3 bonds were issued: the 2024 GWA Refunding and Tender, the 2024 GPA Revenue Refunding Bonds, and the 2024 GIAA Bond Tender.

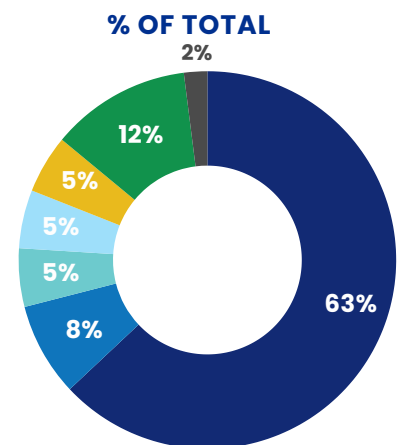
SOURCES	FY2024	FY2023	FY2022	2024 vs 2023 % change
Rental Income	\$1,113,032	\$873,353	\$892,375	27%
Tobacco Settlement Revenue	1,340,812	1,392,949	2,674,948	(3)
GALC Lease Commission	185,350	191,874	207,058	(3)
Qualifying Certificate(QC) Program	1,342,670	1,371,403	1,464,822	(2)
Bond Fees Earned	585,185	163,763	1,111,828	257
Administrative Fee	152,944	141,288	5,392,245	8
Others	87,898	83,625	30,775	5
TOTAL REVENUE	\$4,807,891	\$4,208,255	\$11,774,051	14%



EXPENSES

GEDA's decrease in expenses is largely attributed to the decrease in Legal and Professional Services and miscellaneous expenses. The \$1M reduction in Legal and Professional Services is attributed to a contract that was fulfilled in the previous fiscal year. Travel expenses increased by 70%, primarily due to the rise in attendance at bond meetings.

SOURCES	FY2024	FY2023	FY2022	2024 vs 2023 % change
Salaries and benefits	\$3,902,168	\$3,649,831	\$2,790,186	7%
Legal and Professional Services	480,366	1,498,940	2,734,031	(68)
Office Space and Equipment Rent	327,484	279,791	470,003	17
Grants expenses	320,967	345,949	890,889	(7)
Travel	280,262	164,811	160,815	70
Miscellaneous	745,903	1,306,793	329,986	(43)
Others	115,890	132,851	97,866	(13)
TOTAL EXPENSES	\$6,173,040	\$7,378,966	\$7,473,776	(16%)



NON-OPERATING REVENUES (EXPENSES)

SOURCES	FY2024	FY2023	FY2022	2024 vs 2023 % change
Net increase in the fair value of investments	\$5,946,966	\$2,786,959	(\$3,193,898)	113%
Investment income	726,181	532,757	(2,120,782)	36
Grant revenue	666,111	21,304,063	585,295	(97)
Interest on leases	477,494	505,849	417,822	(6)
Other expense	(553,254)	(183,855)	(651,324)	201
Interest expense, net	(1,821,268)	(1,804,832)	(1,842,219)	1
TOTAL NON-OPERATING REVENUES (EXPENSES)	\$5,442,230	\$23,140,941	(\$6,805,106)	(76%)

GEDA's net other income (expense) decreased by \$17,698,711 or 76% in FY2024. The change is attributed to the decrease of non-operating grant revenue in FY 2024, which comprises of various programs such as State Small Business Credit Initiative 2.0, Prugraman Pinilan, STEP, and Matrix Task Orders.

FISCAL YEAR 2025 INITIATIVES



Small Business Development

Continue to support small business programs to help local entrepreneurs, especially those displaced by COVID-19, and strengthen Guam's economic resilience.



Economic Development Trade Missions

Promote economic opportunities through trade missions and business trips to attract investment in key and emerging industries.



Guam Product Seal Program

Continue growing membership by targeting local manufacturers through event outreach, chamber partnerships, and social media promotion.



Public Financing for Critical Infrastructure

Optimize public financing to reduce costs and fund key infrastructure projects across the airport, healthcare, education, corrections, and utilities.



Small Business Roundtables

Continue hosting regular Small Business Roundtables to identify barriers, support tourism and activity-related businesses, and shape future programs and policies.



State Trade Expansion Program

Use new grant funds for export readiness training, business support, and trade missions to Japan and Palau, while building long-term trade ties with Japan.

CHALLENGES

UNFUNDED LEGISLATIVE MANDATES

GEDA has been tasked with unfunded mandates by the Legislature, requiring the agency to cover costs from limited operating revenues. As the Government of Guam's financial advisor, GEDA has also incurred significant write-offs from incomplete financing requests, often due to a lack of legislative support.

LAND AVAILABILITY/LOSS

GEDA relies primarily on property leases for funding, but most were negotiated in the 1970s and 1980s with long-term terms extending into the 2060s. While they helped drive early economic development, these legacy leases now limit GEDA's revenue growth and ability to support ongoing operations.

COMMERCIAL LEASE LIMIT

P.L. 32-40, as amended by P.L. 34-99, imposed a five-year limit on commercial leases, adding complexity and delays to the public land leasing process. This short lease term has made GEDA's government-owned land offerings less attractive to potential developers.

PARTNERSHIP AND ALIGNMENT CHALLENGES

GEDA's leasing partnerships with the Guam Ancestral Land Commission and Chamorro rely on alignment among partner boards, government leadership, and various stakeholders. Misalignments have at times hindered new commercial leasing opportunities and delayed economic development efforts.



Do you have suggestions on how we can improve our reporting? Please contact Christina Garcia at cgarcia@investguam.com

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