



M&C Fwd: GEDA Board of Directors Meeting Packet | July 8, 2019

1 message

Speaker's Office <speaker@guamlegislature.org>
To: Clerks Office <clerks@guamlegislature.org>
Cc: Rennae Meno <rennae@guamlegislature.org>
Bcc: Tina Muna Barnes <tinamunabarnes@gmail.com>

Wed, Jul 24, 2019 at 9:41 AM

07-23-19	4:50 PM	07-08-19 Board of Directors Meeting held on July 8, 2019.*	Guam Economic Development Authority	35GL-19-0778
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Sinseru yan Minagâhet,

Office of the Speaker • Tina Rose Muña Barnes
Committee on Public Accountability, Human Resources & the Guam Buildup
35th Guam Legislature
I Mina'trentai Singko na Liheslaturan Guåhan

Guam Congress Building | 163 Chalan Santo Papa | Hagatna, GU 96910
T: (671) 477-2520/1
speaker@guamlegislature.org

35GL-19-0778
Speaker Tina Rose Muña Barnes

JUL 23 2019
Time 4:50 ()AM ()PM
Received By: Matt

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Guamai pribiluhu yan konfidenzia este siha na mensáhi. Solo espesíamente para hágu ma antensioña pat ma aturisa para unrisibi. Sen prubidu kumu ti un ma aturisa para manribisa, na'setbe, pat mandespácha. Yanggen lachi rinisibu-mu nu este na mensáhi, put fabot ago' guatu gi l numa'huyong gi as speaker@guamlegislature.org yan despues destrosa todú siha l kopian mensáhi. Si Yu'os ma'áse'.

----- Forwarded message -----

From: Austin Grant <austin.grant@investguam.com>
Date: Tue, Jul 23, 2019 at 4:50 PM
Subject: GEDA Board of Directors Meeting Packet | July 8, 2019
To: Speaker's Office <speaker@guamlegislature.org>

Håfa Adai Speaker,

Pursuant to 5 GCA § 8113.1 Reporting Requirement for Boards and Commissions, we have attached the meeting agenda, approved minutes and attachments from GEDA's Board of Directors Meeting held on July 8, 2019.

Audio from the meeting can be found on the Office of Public Accountability's website.

Please let me know if you have any questions or concerns. I will be glad to assist you.

Si Yu'os Ma'áse!

AUSTIN GRANT
Executive Assistant



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July 2019 BODM Packet_Final.pdf
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REGULAR BOARD OF DIRECTORS MEETING

Wednesday, July 8, 2019

9:30 a.m.

GEDA 5th Floor GITC Building

Ste. 511, 590 South Marine Corps Drive

Tamuning, Guam 96913

NOTICE OF A REGULAR BOARD OF DIRECTORS MEETING
PLEASE TAKE NOTE TO ANYONE WHO WISHED TO ATTEND AND PARTICIPATE THAT REGULAR BOARD OF DIRECTORS
MEETING WILL BE HELD:

DATE: Monday, July 8, 2019

TIME: 9:30 a.m.

PLACE: GEDA 5th Floor GITC Building
Ste. 511, 590 South Marine Corps Drive
Tamuning, Guam 96913

Public Notice: The Post on Friday, June 28, 2019 & on Wednesday, July 3, 2019 and sent to the media on those dates.

AGENDA

- I. Call to Order
- II. Inifresi
- III. Roll Call
- IV. Approval of Agenda
- V. Approval of Minutes
 - June 2019 Board Meeting | June 5, 2019
- VI. Chairman's Remarks
- VII. CEO/Administrator's Remarks
- VIII. Communications
- IX. Committee Reports
 - Investment Committee
 - Real Property Committee
 - H2B Visa Committee
- X. Old Business
 - Loan Programs
- XI. New Business
 - Approval of the Sale of Government of Guam GO Bond 2019
 - Amendment to GEDA Bond Continuing Disclosure Policy
 - CIS Presentation- Dr. Austin Shelton
 - Memorandum of Understanding- Chamorro Village
 - Community Contribution- Guahan Sustainable Culture (GSC)
 - Community Contribution- Farm to Table
- I. Public Comments
- II. Adjournment

Enclosures: Investment Committee Report, Real Property Committee Report, Bond Purchase Agreement, GEDA Bond Continuing Disclosure Policy, MOU- Chamorro Village, Community Contributions- GSC and Farm to Table

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
Ge'helo' Ekseketibu Ofisiât

ARTEMIO "RICKY" HERNANDEZ
Deputy Administrator
Sigundo Ge'helo'

Board of Directors Regular Meeting

Attendance Sheet
Monday, July 8, 2019
9:30 a.m.

David J. John, Chairman

Ernesto V. Espaldon, Jr., Vice Chairman

Fe Valencia-Ovalles, Director

George Chiu, Director

absent

Gia B. Ramos, Director

Siska S. Hutapea, Director

absent

Melanie Mendiola, CEO/Administrator

Artemio "Ricky" Hernandez, Deputy Administrator

Terry Brooks, Legal Counsel

Tom Fisher, Legal Counsel

absent





Minutes of Regular Meeting to the Board of Directors of the
Guam Economic Development Authority
June 5, 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 Wednesday, June 5, 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 to consider several items on the agenda.

Quorum and Attendance

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

Directors:

David John
George Chiu
Gia Ramos
Siska Hutapea

Offices or Positions:

Chairman
Director
Director
Director

CEO/Administrator
Deputy Administrator
Legal Counsel

Absent and excused:

Ernesto Espaldon
Fe Valencia-Ovalles

Vice Chairman
Director

Also present were:

Austin Grant
Erin Grajek
Siska Hutapea
Anumita Kaur
Claire Cruz
Antoinette Leon Guerrero
Larry Toves
Tria Paulino

GEDA
Senator Clynt Rigell
GEDA
PDN
GEDA
GEDA
GEDA
GEDA

Approval of Agenda

§3. The first item considered was approval of the agenda. Director George Chiu made the motion to approve the meeting agenda. Director Siska Hutapea seconded the motion. The motion was unanimously approved.

Approval of Minutes

§4. The next item on the agenda was the Approval of Minutes from April 16, 2019. Director Chiu moved to approve the minutes. Director Gia Ramos 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 the GEDA has been working with the front office on a number of initiatives to include telecommunications. CEO/Administrator Melanie Mendiola stated that GEDA is also working on the improvement of public finance, more recently, the bond for the Guam Solid Waste Authority. GEDA presented to the 35th Guam Legislature regarding the bond process. Ms. Mendiola mentioned that most senators are new to this process and were thankful for the presentation made.

Additionally, GEDA will be attending Bond Rating meetings along with Chairman David John. Ms. Mendiola noted that the purchase of the bond is important, as it is the first bond to be issued by this administration and the first General Obligation (GO) Bond in the last 10 years.

The bond is for \$30 million for the construction of a new cell for the Layon Municipal Sanitary Landfill with triple tax-exemption and a target rate of 4.25%.

Chairman John went on to discuss the Health Insurance Qualifying Certificate (QC) program. Business Development Manager, Edward Camacho joined the table for discussion. Mr. Camacho stated in collaboration with the board chairman; GEDA has drafted a bill relative to the Health Insurance QC. The legislation allows for a renewal provision of five (5) years with the only benefit being 100% rebate of the Business Privilege Tax (BPT). If signed by the Governor, the law will take effect October 1st and will sunset after 5 years.

After further discussion, there were no further remarks.

CEO/Administrator's Remarks

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

CEO/Administrator Melanie Mendiola discussed the target points as stated in the transition report. Ms. Mendiola stated that GEDA has worked to improve on the targets. However, a marketing strategy is in the works as it comes after the development of the strategic plan.

In the Public Finance Division, the staff is working on a number of debt issues to include:

- GSWA Cell #3 Financing- \$30 million
- GIAA Refunding- \$33.2 million
 - Savings of 2-8% (2 million in saving)
- PAG Reprogramming- \$7 million
 - Reprogramming \$7 million to Hotel Wharf
- UOG SOE/SSC Projects- \$25 million
- GDOE Projects- \$125 million
 - The reconstruction of Simon Sanchez High School and refinancing of other schools
- DPW Garvee Bonds- \$75 million
- Labor & Delivery Ward- \$9.2 million
 - A&E was completed but project is on hold due to Governor requesting for a study to be conducted by the Army Corps of Engineers to ensure GMH is structurally sound. No timeline as been specified.
- DISID & GRTA Facility

Regarding legislation, Ms. Mendiola stated that Senator San Agustin introduced Bill 140-35, which is for the refunding of GIAA bond and Senator Ridgell introduced Bill 149-35, which is for the reprogramming of the PAG bond.

In the Real Property Division, GEDA is working with the Guam Ancestral Lands Commission (GALC):

- to issue an RFP for Polaris Point (13 acres)
- to negotiate a lease with AT&T for back-rent of the Tanguisson property
- to assist with the management of the WIC lease

Regarding the Chamorro Land Trust Commission (CLTC), GEDA has entered a Memorandum of Understanding for the management of property needing CLTC board action at which time GEDA will proceed with assessing the property and issuing a RFP.

Regarding the Piti Mayor's Office, GEDA has drafted a Memorandum of Understanding for the management of the Santos Park in Piti across the USO. The Piti Mayor's Office wants to assess the land for interests in commercial use with funds to benefit various village programs.

Regarding the Guam Department of Education, the agency has a few warehouses near GSA needing assessment of the properties for potential GEDA management.

In the Business Development Division, GEDA has been appointed as one of co-chairs of the Aquaculture industry taskforce. The Governor signed an executive order for GEDA and the Department of Agriculture to take the lead. Ms. Mendiola stated she will provide an update to the board after the first taskforce meeting.

Regarding Bill 56-35 relative to requiring the completion of independent economic impact statement relative to fiber-optic undersea cable landing stations, GEDA provided testimony. Deputy Artemio Hernandez stated that he provided testimony on behalf of GEDA to recommend instead of taxing the companies rather provide incentives to the company.

Furthermore, Mr. Hernandez stated the author of the bill mentioned the legislation has been completely revised to develop a taskforce.

Regarding Opportunity Zones, Ms. Mendiola stated that Governor Gutierrez and GEDA Business Development Manager attended an expo in Las Vegas and spoke with potential investors for Guam. Invitations to 25 investors were made and follow ups have been scheduled.

Ms. Mendiola mentioned that she attended an International Economic Development Council training to discuss how other states and jurisdictions are moving forward with Opportunity Zones.

In addition, GEDA has been promoting Opportunity Zones (OZ) locally by presenting at the Guam Association of Realtors, Mayor's Council of Guam and has been invited to the Guam Chamber of Commerce. Furthermore, there is interest from lawyers and CPAs to host a session geared toward OZs.

Regarding trade missions, Governor Gutierrez has been promoting the island in the Philippines and China. He has been featured in a number of media outlets while on the missions. Taiwan mayor has since invited GEDA for a visit and there is potential to present Guam investment opportunities in Lebanon.

Ms. Mendiola stated the GEDA has released its Citizen Centric Report for FY2018 and is enclosed for board review.

Furthermore, GEDA hosted Bonds 101 training at the University of Guam on May 9, 2019. There were two sessions, which were attended by the Legislature, Adelup staff and individuals from various agencies. The focal point of the training was to promote responsible debt and understand how the bond process works. Director Chiu stated the next trainings should emphasize what GEDA does and the value of the bonds.

Regarding loans, Ms. Mendiola stated that Tria Paulino was appointed to SBDC Advisory Board. GEDA has also presented to the Farmer's Co-op and NRCS and has visited farms with the Department of Agriculture. 14 applications have been distributed with one pending for Agriculture Development Fund, one pending for Guam Development Fund Act and one pending for SSBCI. One loan under the Agriculture Development Fund has been approved.

After further discussion, no further remarks from the CEO/Administrator.

Communications

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

There were no Communications.

Committee Reports

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

There were no Committee Reports.

Old Business

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

Director Chiu moved to nominate Director Gia Ramos as Board Secretary. Director Hutapea seconded the motion. On that motion, it was unanimously approved. Director Gia Ramos will serve as Board Secretary.

The next item under Old Business was the Elections on Committee Chairs.

Director Hutapea moved to nominate Director Fe Vallencia-Ovalles as Chairperson of the H2B Visa Committee. Director Chiu seconded the motion. On that motion, it was unanimously approved. Director Ovalles will serve as Chairperson of the H2B Visa Committee.

Director Chiu moved to nominate Director Hutapea as Chairperson of Real Property Committee. Director Hutapea accepted and board acknowledged the appointment.

Director Hutapea moved to nominate Director Chiu as Chairperson of Telecommunication & Power Costs. Director Ramos seconded the motion. On that motion, it was unanimously approved. Director Chiu will serve as Chairperson of Telecommunication & Power Costs.

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 Memorandum of Agreement- Piti Mayor- Property Management Services.

Real Property Management, Larry Toves spoke on the matter.

Background

In its efforts to seek development opportunities and additional revenues for its municipal programs, services and activities, the Piti Mayor, Mr. Jesse Alig met with GEDA's CEO/Administrator earlier this year in February at which time he expressed the desire and commitment to using municipal properties in the best interest of the people of the Village of Piti. During these discussions, the Mayor had deemed it strategically beneficial to form a partnership with GEDA in order to take advantage of the Authority's unique mandates and capabilities in assisting sister GovGuam agencies with their economic and developmental goals. To this end, it was decided that a Memorandum of Agreement (MOA) be collaboratively forged between the Piti Mayor's Office (PMO) and GEDA.

Analysis

GEDA's Real Property Division over a decade now has provided property management services to various government agencies with a commitment to spurring economic development through private sector leasing and development of government-owned properties in a fashion that generates jobs and additional revenues. The development of

designated public properties to their highest and best use is in the public interest, and so the PMO has designated the Pedro C. Santos Memorial Park, legally described as Lot 262 containing an area of 5.5 acres and placed under the administrative jurisdiction of the Piti Mayor is an appropriate site for such development through this MOA.

Recommendation

GEDA staff recommends that the Board of Directors authorize the CEO/Administrator to execute the Memorandum of Agreement (copy attached) with the Piti Mayor's Office (PMO) whereby GEDA will provide the PMO with general consultancy and property management services relating to maximizing the development of designated municipal properties for the ultimate benefit of the community and Village of Piti. The Board also authorizes GEDA to retain a management fee of 14% percent of base rent as payment for services. The GEDA Administrator shall periodically report to the Board on the nature and status of activities required under the MOA.

The Board recommended the push to extend the term of GovGuam leases, seek common ground.

After further discussion, Director Hutapea moved to approve the MOA with Piti Mayor's Office. Director Chiu seconded the motion. The motion was unanimously approved.

The next item under New Business was the Memorandum of Agreement- Office of the Governor- Guam Military Buildup.

Ms. Mendiola and Mr. Toves spoke on the matter.

Background

Attached for the Board's consideration and approval is a Memorandum of Agreement between GEDA and the Office of the Governor. The original agreement approved by the GEDA board in 2014 has since expired and there are now opportunities to continue the relationship with the Office of the Governor, which has recently received various federal grants to support the Military Buildup on Guam. The MOU allows GEDA to receive payment for any work assigned by the Office of the Governor under the MOA.

Analysis

Previously, the Office of the Governor received federal grants from the Office of Economic Adjustment, Dept. of Defense to perform work associated with the relocation of Marines to Guam. The original MOA allowed for this and GEDA received reimbursement for resultant costs. Currently, the Office of the Governor has received new federal grants to carry out the need for Professional Multi-Discipline Consulting Services for Research, Development, Planning and Implementation of Economic Development Initiatives and Opportunities associated with the Department of Defense Impact Task Orders approved by the Office of the Governor. The Office of the Governor desires that GEDA carry out this and future work, hence the need for the MOA. The MOA allows GEDA to utilize the services of its consultants, if necessary, and to receive reimbursement for associated costs.

Recommendation

GEDA staff recommends that the Board of Directors authorize the CEO/Administrator to execute the Memorandum of Agreement (copy attached) with the Office of the Governor of Guam. The Board also authorizes the Administrator to execute Task Orders with its consultants should the need arise to utilize their services, provided that costs associated

with the use of consultants are reimbursed under the MOA. The GEDA Administrator shall periodically report to the Board on the nature and status of activities required under the MOA.

After further discussion, Director Chiu moved to approve the MOA with the Office of the Governor. Director Ramos seconded the motion. The motion was unanimously approved.

The next item under New Business was the Mid-Year Budget Review.

Ms. Mendiola stated that revenues are below by half-a-million from projected budget. This is due to GRMC Qualifying Certificate community contributions be directed out of GEDA to the Healthy Futures Fund.

Chairman John stated that GEDA needs to work with the Legislature to identify a revenue source for the agency. Furthermore, the board identified areas that GEDA can generate more funding.

Ms. Mendiola stated the GEDA is working to generate revenue and decrease shortfall by collecting from bond issuances, AT&T arrears, GWSA and GIAA bond fees. Travel budget reduced by \$20,000. Legal services budget reduced by \$25,000. Removed one professional services contract. Removed a software not being used. Total expenses are down.

The next item under New Business was the Organizational Charts.

Ms. Mendiola stated there were no changes in the Real Property Division. The Business Development Division was changed to Business & Economic Development Division with the addition of a Business & Economic Development Supervisor and with an Economic Development focus and Industry Development focus. In the Public Finance Division, the Finance Analyst II was unfunded. The Commerce and Economic Development Division was removed and remaining staff will be transferred to another division when CEDS grant ends. No changes to the Compliance Division. In the Administrative Services Division, an Administrative Services Supervisor position was created.

After further discussion, Director Chiu moved to approve the revised organizational chart. Director Hutapea seconded the motion. The motion was unanimously approved.

There was no further business discussed.

Public Comments

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

Ms. Mendiola stated that a special meeting might be needed around June 18, 2019 specific to approving the purchase of the bond. The board noted that they would work to provide their availability. It was recommended to look into teleconferencing rules and regulations.


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 Ramos and seconded by Director Ramos at 11:11 a.m., the meeting was adjourned.



DAVID JOHN, Chairman
Board of Directors

ATTEST:


GIA RAMOS, Board Secretary
Board of Directors

Investment Committee

Director George Chiu, Chairperson

June, 2019

Key Meetings:

April 16, 2019 GEDA

Director George Chiu, Alexandria Leon Guerrero (*BG Investment*), Maree Pelkey (*BG Investment*), Bernice Torres (*GEDA*), Sheena Mitchell (*GEDA*)

Discussion Points:

- Review of asset breakdown
- Reduce exposure to international markets
- Recommendations for growth, higher yield investments
- Transfer of SSBCI from BOG Trust of \$3,036,653.62
- Update of signers for investment accounts

Highlights:

- Following the last meeting, we rebalanced the portfolios to reduce exposure in international markets, primarily in emerging markets and fixed income.
 - This move has favored the portfolios well.
- 2nd quarter 2019 saw a lot of market volatility from global trade tensions, however, despite the volatility the overall GEDA portfolio returned 3.01% for the 2nd quarter of 2019, and 14.10% calendar year to date.
- The average annualized return since inception (May 2017) is 7.22% as of 6/30/19.
- The SSBCI account transferred from BOG Trust on May 9, 2019. The account has returned 2.24% since the transfer.

Total Portfolio value as of 6/30/19 is \$19,917,150

GEDA General Fund	\$ 4,020,828
Guam Development Fund Act (GDFA)	\$ 11,624,073
Agricultural Development Fund	\$ 1,124,595
State Small Business Credit Initiative	\$ 3,147,653

Portfolio Summary

GUAM ECONOMIC DEVELOPMENT AUTHORITY



BG | INVESTMENT
SERVICES, INC.

111 Chalan Santo Papa, 6th Floor
Hagatna, Guam 96910

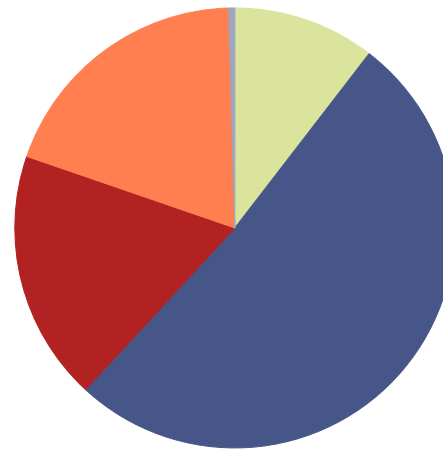
Performance Summary

Time Period: 5/16/2017 to 6/30/2019

Beginning Market Value	0.00
Net Investment	17,822,131.79
Earned Income	940,780.40
Period Gains/Losses	1,355,968.38
Management Fees	-201,729.89
Ending Market Value	19,917,150.67
Average Annualized Return %	7.22

Asset Allocation

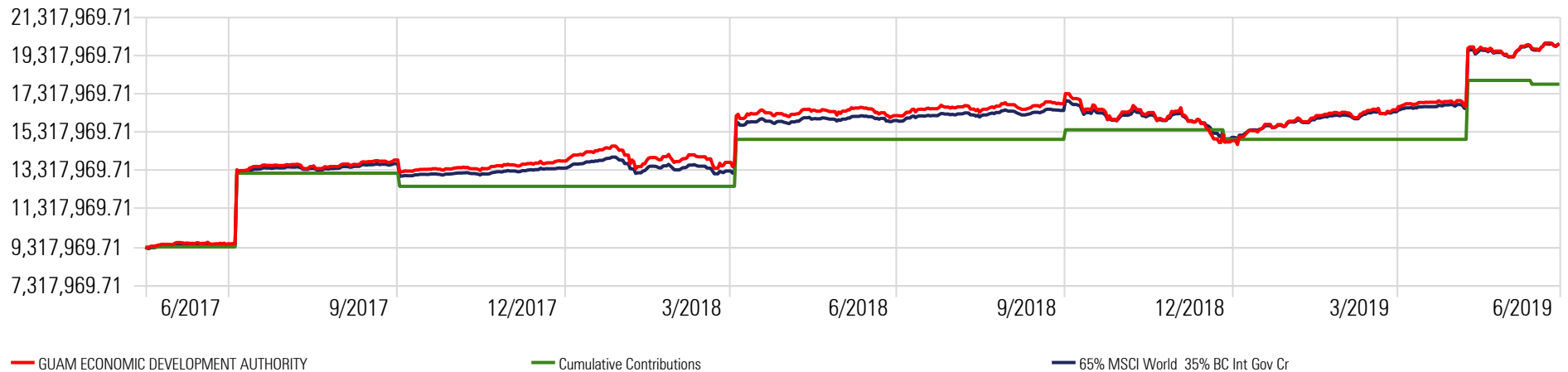
As of Date: 6/30/2019



	%
Cash	10.45
US Stock	51.42
Non US Stock	18.40
Bonds	19.29
Other	0.44
Total	100.00

Investment Growth

Time Period: 5/16/2017 to 6/30/2019



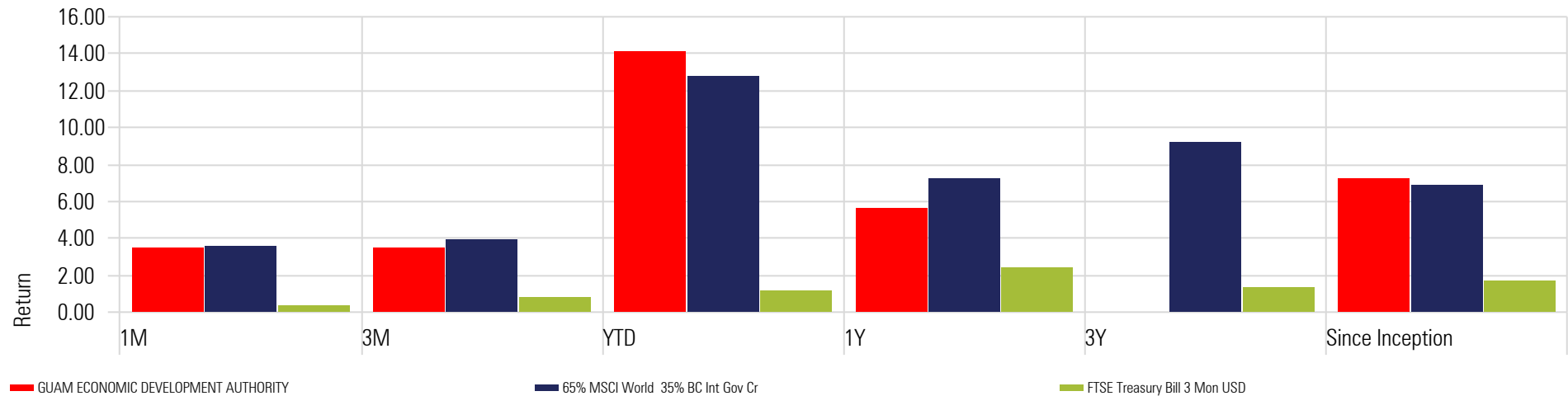
Client Portfolio Summary

GUAM ECONOMIC DEVELOPMENT AUTHORITY /
Account Aggregate

As of Date: 6/30/2019

Returns (TWR)

As of Date: 6/30/2019



Performance by Account

Time Period: 5/16/2017 to 6/30/2019

	Account Number	Ending Market Value	1 Mo (%)	3 Mo (%)	YTD %	1 Year %	3 Year %	Since Inception
GEDA - ADF	*****5641	1,124,595.31	3.54	3.53	14.05	5.58	-	6.27
GEDA - GDFA	*****5637	11,624,073.50	3.54	3.45	13.98	5.56	-	6.65
GEDA - SSBCI	*****5642	3,147,653.84	3.53	-	-	-	-	2.24
GEDA - GENERAL FUND	*****3516	4,020,828.02	3.52	3.52	14.13	5.79	-	7.67
Total Portfolio	-	19,917,150.67	3.54	3.54	14.10	5.69	-	7.22
65% MSCI World 35% BC Int Gov Cr	-	-	3.61	3.99	12.81	7.23	-	6.93
FTSE Treasury Bill 3 Mon USD	-	-	0.41	0.82	1.21	2.45	-	1.77

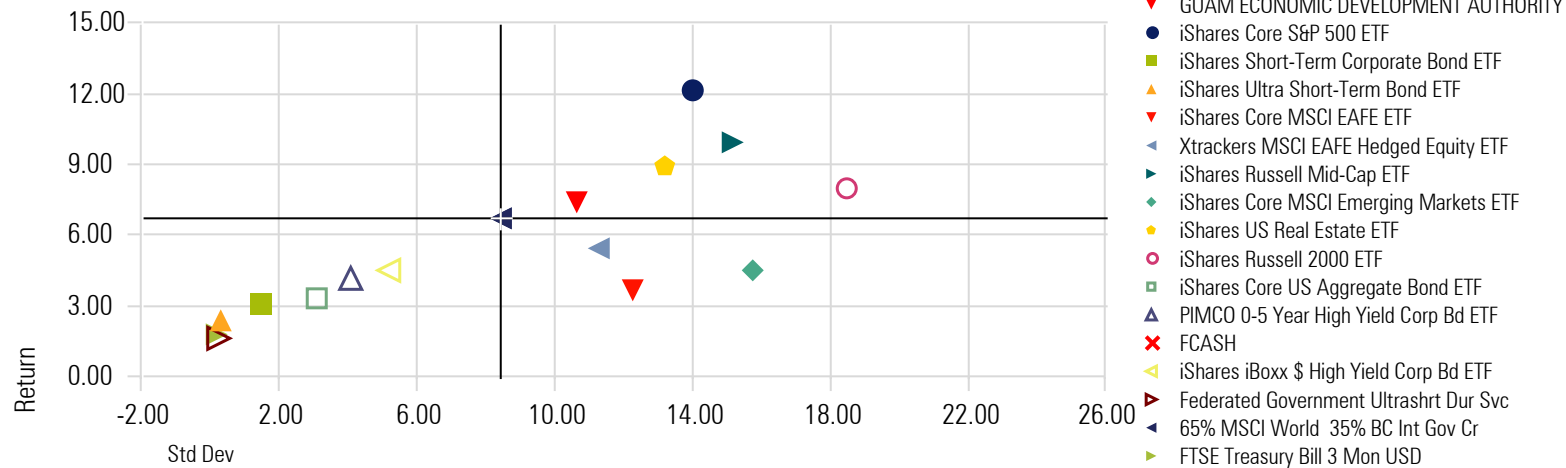
Client Portfolio Summary

GUAM ECONOMIC DEVELOPMENT AUTHORITY /
Account Aggregate

As of Date: 6/30/2019

Risk-Reward

Time Period: 6/1/2017 to 6/30/2019



Comparative Performance

Time Period: 5/16/2017 to 6/30/2019

	Additions	Withdrawals	Period Investment Gains/Losses	Total Ending Value	Time Weighted Return %
5/16/2017 ~ 6/30/2017	9,334,389.99	0.00	165,719.91	9,492,895.54	1.70
7/1/2017 ~ 9/30/2017	6,078,689.40	-2,234,598.13	543,721.82	13,865,282.67	3.94
10/1/2017 ~ 12/31/2017	0.00	-685,449.36	656,752.46	13,814,054.68	4.80
1/1/2018 ~ 3/31/2018	0.00	0.00	-48,669.19	13,742,937.65	-0.51
4/1/2018 ~ 6/30/2018	2,450,000.00	0.00	13,872.96	16,180,631.35	-0.18
7/1/2018 ~ 9/30/2018	0.00	0.00	648,592.49	16,802,936.28	3.85
10/1/2018 ~ 12/31/2018	500,507.10	-500,000.00	-1,891,928.63	14,884,189.20	-11.07
1/1/2019 ~ 3/31/2019	0.00	0.00	1,626,277.57	16,486,338.51	10.76
4/1/2019 ~ 6/30/2019	3,078,592.79	-200,000.00	582,409.38	19,917,150.67	3.01

Client Position Summary by Account

As of Date: 6/30/2019

	Symbol	Security Type	Price	Quantity	Market Value	Percent Asset
GEDA - GDFA	-	-	-	-	11,624,073.50	58.36
FCASH	FCASH	CSH	1.00	68,255.00	68,255.00	0.34
iShares Core MSCI EAFE ETF	IEFA	ETF	61.40	16,870.00	1,035,818.00	5.20
iShares Core MSCI Emerging Markets ETF	IEMG	ETF	51.44	11,425.00	587,702.00	2.95
iShares Core S&P 500 ETF	IVV	ETF	294.75	14,181.00	4,179,849.75	20.99
iShares Core US Aggregate Bond ETF	AGG	ETF	111.35	3,275.00	364,671.25	1.83
iShares Russell 2000 ETF	IWM	ETF	155.50	2,975.00	462,612.50	2.32
iShares Russell Mid-Cap ETF	IWR	ETF	55.87	14,600.00	815,702.00	4.10
iShares Short-Term Corporate Bond ETF	IGSB	ETF	53.44	20,000.00	1,068,800.00	5.37
iShares Ultra Short-Term Bond ETF	ICSH	ETF	50.39	21,000.00	1,058,190.00	5.31
iShares US Real Estate ETF	IYR	ETF	87.31	6,800.00	593,708.00	2.98
PIMCO 0-5 Year High Yield Corp Bd ETF	HYS	ETF	100.40	3,600.00	361,440.00	1.81
Xtrackers MSCI EAFE Hedged Equity ETF	DBEF	ETF	31.61	32,500.00	1,027,325.00	5.16
GEDA - GENERAL	-	-	-	-	4,020,828.02	20.19
FCASH	FCASH	CSH	1.00	125,091.57	125,091.57	0.63
iShares Core MSCI EAFE ETF	IEFA	ETF	61.40	5,700.00	349,980.00	1.76
iShares Core MSCI Emerging Markets ETF	IEMG	ETF	51.44	4,000.00	205,760.00	1.03
iShares Core S&P 500 ETF	IVV	ETF	294.75	4,800.00	1,414,800.00	7.10
iShares Core US Aggregate Bond ETF	AGG	ETF	111.35	1,100.00	122,485.00	0.61
iShares Russell 2000 ETF	IWM	ETF	155.50	1,030.00	160,165.00	0.80

Client Position Summary by Account

As of Date: 6/30/2019

	Symbol	Security Type	Price	Quantity	Market Value	Percent Asset
iShares Russell Mid-Cap ETF	IWR	ETF	55.87	4,950.00	276,556.50	1.39
iShares Short-Term Corporate Bond ETF	IGSB	ETF	53.44	6,700.00	358,048.00	1.80
iShares Ultra Short-Term Bond ETF	ICSH	ETF	50.39	7,020.00	353,737.80	1.78
iShares US Real Estate ETF	IYR	ETF	87.31	2,165.00	189,026.15	0.95
PIMCO 0-5 Year High Yield Corp Bd ETF	HYS	ETF	100.40	1,170.00	117,468.00	0.59
Xtrackers MSCI EAFE Hedged Equity ETF	DBEF	ETF	31.61	11,000.00	347,710.00	1.75
GEDA - SSBCI	-	-	-	-	3,147,653.84	15.80
FCASH	FCASH	CSH	1.00	17,377.36	17,377.36	0.09
Federated Government Ultrashrt Dur Svc	FEUSX	MF	9.88	157.06	1,551.73	0.01
iShares Core MSCI EAFE ETF	IEFA	ETF	61.40	4,680.00	287,352.00	1.44
iShares Core MSCI Emerging Markets ETF	IEMG	ETF	51.44	3,200.00	164,608.00	0.83
iShares Core S&P 500 ETF	IVV	ETF	294.75	3,790.00	1,117,102.50	5.61
iShares Core US Aggregate Bond ETF	AGG	ETF	111.35	940.00	104,669.00	0.53
iShares iBoxx \$ High Yield Corp Bd ETF	HYG	ETF	87.18	1,165.00	101,564.70	0.51
iShares Russell 2000 ETF	IWM	ETF	155.50	830.00	129,065.00	0.65
iShares Russell Mid-Cap ETF	IWR	ETF	55.87	4,050.00	226,273.50	1.14
iShares Short-Term Corporate Bond ETF	IGSB	ETF	53.44	5,380.00	287,507.20	1.44
iShares Ultra Short-Term Bond ETF	ICSH	ETF	50.39	5,680.00	286,215.20	1.44
iShares US Real Estate ETF	IYR	ETF	87.31	1,765.00	154,102.15	0.77
Xtrackers MSCI EAFE Hedged Equity ETF	DBEF	ETF	31.61	8,550.00	270,265.50	1.36

Client Portfolio Summary

GUAM ECONOMIC DEVELOPMENT AUTHORITY /
Account Aggregate

As of Date: 6/30/2019

Client Position Summary by Account

As of Date: 6/30/2019

	Symbol	Security Type	Price	Quantity	Market Value	Percent Asset
GEDA - ADF	-	-	-	-	1,124,595.31	5.65
FCASH	FCASH	CSH	1.00	9,170.56	9,170.56	0.05
iShares Core MSCI EAFE ETF	IEFA	ETF	61.40	1,635.00	100,389.00	0.50
iShares Core MSCI Emerging Markets ETF	IEMG	ETF	51.44	1,085.00	55,812.40	0.28
iShares Core S&P 500 ETF	IVV	ETF	294.75	1,375.00	405,281.25	2.03
iShares Core US Aggregate Bond ETF	AGG	ETF	111.35	320.00	35,632.00	0.18
iShares Russell 2000 ETF	IWM	ETF	155.50	283.00	44,006.50	0.22
iShares Russell Mid-Cap ETF	IWR	ETF	55.87	1,410.00	78,776.70	0.40
iShares Short-Term Corporate Bond ETF	IGSB	ETF	53.44	1,925.00	102,872.00	0.52
iShares Ultra Short-Term Bond ETF	ICSH	ETF	50.39	2,015.00	101,535.85	0.51
iShares US Real Estate ETF	IYR	ETF	87.31	650.00	56,751.50	0.28
PIMCO 0-5 Year High Yield Corp Bd ETF	HYS	ETF	100.40	345.00	34,638.00	0.17
Xtrackers MSCI EAFE Hedged Equity ETF	DBEF	ETF	31.61	3,155.00	99,729.55	0.50
Total Portfolio	-	-	-	-	19,917,150.67	100.00

Disclosures:

This presentation is solely for informational purposes. Past performance is no guarantee of future returns. Investing involves risk and possible loss of principal capital. No advice may be rendered by BG Investment Services, Inc. unless a client service agreement is in place. Please contact us at your earliest convenience with any questions regarding the content of this presentation and how it may be the right strategy for you.

NOT FDIC INSURED NO BANK GUARANTEE MAY LOSE VALUE

Real Property Committee Report 7/8/2019

Key Meetings Conducted:

- Guam Ancestral Lands Commission – May 8, 2019
- Chief Stone (GFD) – May 10, 2019
- DISID and CLTC – May 20, 2019
- Meeting w/ Board member Siska Hutapea – June 25, 2019
- Others (recent meetings with other agencies including purchase of Hessler Bldg, Mtg w/ Gov RE Fed Lands, Chamorro Village)

Items of Interests:

- **GALC AT&T.** After several meetings with local AT&T facility operators and GALC members, RPD calculated and invoiced back rent of GALC's AT&T lease property, drafted a lease for moving forward and sent all items under GALC signature on May 29, 2019 to AT&T representative in Pasadena, CA.
- **GALC Polaris.** RFP 19-003 has been issued and is live for GALC's Polaris Property with proposals due on July 15, 2019.
- **GFD Tamuning Station Relocation.** Meetings with GFD Chief Stone indicates GFD's continuing desire to relocate Fire Station 1 to GPA's leased property behind ITC Building. Although GPA has no current plans to relocate their operations, RPD sent follow up letter in June to request if GPA has any inclination to do so in the future.
- **DISID.** Legal Counsel has opined that the current law authorizing the leasing of the former Voc Rehab property (PL 33-227) does not need to be amended in order for GEDA to issue an RFP for this property. However, the Governor's plans to potentially move DISID to a facility in Hagatna will invariably change the language of the RFP. RPD is following this issue as it develops
- **CLTC.** On June 24, 2019 CLTC officially sent notice authorizing GEDA to provide lease services for 5 properties:
 - Lot 5075-REM-A-NEW-R1 (1.9 acres – behind East West Business Center, Upper Tumon)
 - Lot 7054-RS (11.9 acres – near Yigo Gym)
 - Tract 10123 (7128-REM) (30.2 acres across Yigo Gym)
 - Lot 5173-1-R2NEW-R7 (35.4 acres Oka Point, Tamuning)
 - Tract 111, Lot 12 (0.6 acre Across Proa, Tumon)

RPD is preparing Determination of Need (DON) on these properties for CLTC approval at its next Commission meeting scheduled for July 19, 2019.

- **Piti Mayor.** MOU with Piti Mayor still going through review and approval process. Piti Mayor looking to GEDA to assist in leasing Santos Memorial Park property. RPD has found various

property use-restrictions resulting from existence of cable landing site, proximity to a river, and other items. RPD still conducting further research on the property.

- **Chamorro Village.** Governor has announced her desire for management of Chamorro Village to be transferred from the Department of Chamorro Affairs (DCA) to GEDA. RPD researching feasibility and ramifications of executing a Memorandum of Agreement, or introducing Legislation in order to accomplish this.
- **Others** – Recent discussions with other agencies regarding the potential purchase of the Hessler Building in Hagatna, the return of potentially excess federal lands to the government of Guam are still in the initial research and planning stages.

Recommendations:

- RPD continues to follow up with AT&T regarding payment of back rent due and lease moving forward.
- We should consider engaging with GEDA Legislative Oversight Chairman to discuss PL 34-99 (the 5 Year Law) and its effect on lease revenue as there have been no new leases since its passage.
- We should evaluate the efficacy of GEDA itself managing the Chamorro Village and explore the practicality of having a private entity do so.



H2B Visa Ad Hoc Committee Report 7/8/2019

Central Issue:

DHS issues ban on H-2B and H-2A workers from the Philippines effective January 19, 2019.

Department of Homeland Security with the State Department issued a ban on workers from the Philippines starting January 19, 2019. The ban would affect H-2B and H-2A workers seeking employment in the US. The ban is for one (1) year and should expire January 18, 2020.

H-2B visas: Construction and Healthcare

H-2B visas: Agriculture

Key Meetings:

April 25, 2019: The Governor's office through the efforts of former Governor Carl Gutierrez, now Chief Advisor for Economic Development, National & International Affairs met with Executive Secretary Salvador Medialdea and Secretary Francisco Acosta, Chairperson – Commission on Filipinos Overseas, both of the Office of the President of the Philippines to discuss the impact on Guam related to the U.S. ban on the Philippines to import labor into Guam. The Executive Secretary committed to looking into our situation and would assign his office to review.

June 28, 2019: Chief Advisor Carl Gutierrez and representatives of GEDA met with Marciano De Borja, Philippines Consul General to discuss concerns related to the H2B Visa program. The meeting was arranged by Consul General De Borja, at the request of the Office of the President of the Philippines, to follow up on the meeting that took place in the Philippines with Executive Secretary Medialdea. The Office of the President of the Philippines is gathering data to determine how they may support Guam's efforts to resolve the H2B issue.

Other news and updates:

Guam Contractors Association vs USCIS (Court Case #16-00075) - June 25, 2019:

Judge Joaquin Manibusan recommends the District Court find Defendants in contempt to comply with the Court's Preliminary Injunction Order of January 24, 2018. Federal Judge Joaquin Manibusan issued a *report and recommendation* 6-25-19. USCIS denied H-2B worker petitions using the same prior rationale prior, in denying Ace Builders Petitions. GCA asked the court to hold USCIS in contempt and to impose sanctions for continued visa denial. Failure to provide an adequate or rational explanation for the denials of Ace Builders' petitions 9 times.

On January 24, 2018, the federal court entered an order granting a preliminary injunction against USCIS from denying H-2B worker petitions submitted after the date of this order.

On March 31, 2018, the Court granted the Plaintiff's Motion for Class Certification. Certifying Petitioners as a class, who have or will file an I-129 application under the Peak Load need a category or the One-Time Occurrence category, and those who have received an application denial finding the Petitioner is unable to demonstrate "temporary need".

On May 11, 2018, Plaintiff's filed a motion of contempt against USCIS for H-2B visa worker petitions denied, against ruling on 1-24-18.

On-base Military Housing:

Within the next 3-5 years the military will begin renovation of their housing units on base. This will require a temporary relocation to off-base housing for many of their residents. GEDA will continue to follow up to obtain actual timelines and details of this build out.

Recommendations:

Regroup with stakeholders (Chamber, GCA, etc) and schedule an update with Congressman.



GEDA LOAN PROGRAMS

July 2019

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GEDA PROGRAMS **LOAN PROGRAMS**

GEDA currently administers three economic development loan programs providing financial assistance through loans and loan guarantees.

- **AGRICULTURE DEVELOPMENT FUND (ADF)**
- **GUAM DEVELOPMENT FUND ACT (GDFA)**
- **STATE SMALL BUSINESS CREDIT INITIATIVE (SSBCI)**

LOAN PROGRAMS

AGRICULTURE DEVELOPMENT FUND (ADF)

The Agriculture Development Fund or ADF was created in 1988 by Public Law 19-19 which was designed to aid with the development of locally produced agricultural products.

*The program enables bona fide farmers and commercial farming enterprises to obtain a **line of credit and/or term loan** financing for working capital needs and/or to provide funding for the purchase of supplies and inventory.*

ELIGIBILITY:

1. U.S. Citizens/Permanent Resident Aliens who are residents of Guam for at least three (3) years
2. Applicants must obtain a written certification and recommendation from the Department of Agriculture and/or UOG Agriculture Natural Resources (ANR), Cooperative Extension Services (CES) identifying them as a “Bona fide” farmer or commercial farming enterprise.

*Bona fide farmer(s) are individual(s) who are registered with the Department Agriculture who commercially grow and harvest agricultural products for profit.

MAXIMUM LOAN AMOUNT:
\$50,000.00

TYPE/TERMS:

- Term/Line of Credit
- Line of Credit: One (1) Year
- Term Loan: Varies based on use of loan funds

INTEREST RATE: 4%

USE OF FUNDS:

- Purchase equipment, fixtures, Leasehold improvements, Working Capital

LOAN PROGRAMS

GUAM DEVELOPMENT FUND ACT (GDFA)

Provides financial assistance to private enterprises and industries thus promoting the economic development of Guam. It is geared toward businesses that engage and support activities in the areas of Agriculture, Fishing, Manufacturing, Tourism, and their support industries.

ELIGIBILITY REQUIREMENTS:

- Two written denials from private, commercial lending institutions
- Applicant must be a U.S. citizen or permanent alien & resident of Guam
- Registered business w/valid Guam business license

ELIGIBLE LOAN USES:

- Start-Up Costs, Working Capital, Furniture, Fixtures & Equipment, Purchase, Construction, Renovation/Improvements of an eligible place of business, Fees associated with construction of business

TYPE OF FINANCIAL ASSISTANCE:

- Direct Loan
- Line of Credit

MAXIMUM LOAN AMOUNT:

- \$1.2M

MAXIMUM TERM:

- TBD by risk factor & use of funds

INTEREST RATE:

- Up to 4% above U.S. Treasury Index Rate

LOAN PROGRAMS

STATE SMALL BUSINESS CREDIT INITIATIVE (SSBCI)

The State Small Business Credit Initiative (SSBCI) is a Federal program administered by the Department of the Treasury that was funded with \$1.5 billion to strengthen state programs that support private financing to small businesses & small manufacturers.

The goal for Guam for this program is to increase the availability of funds to spur entrepreneurship and create new start up businesses that lead to job growth and added goods and services.

GEDA utilizes local lending institutions as partners to individually underwrite, process and enroll approved applicants into the program.

ELIGIBLE LOAN USES:

- Start-up costs
- Working capital
- Business procurement
- Franchise fees
- Equipment & inventory
- Renovation/improvements of an eligible place of business

PARTICIPATING LENDERS:

- Bank of Guam
- Community First

TERMS:

- GEDA will guarantee up to 75% of a loan, not to exceed \$500,000
- Maximum term seven (7) years

GEDA LOAN PROGRAMS

AGRICULTURE DEVELOPMENT FUND

TYPE OF LOAN: Term/Line of Credit

MAXIMUM LOAN AMOUNT: \$50,000

MAXIMUM TERM:

Line of Credit: One (1) year
Term Loan: Varies based on use of loan funds

INTEREST RATE: 4%

LOAN FEE:

Application Fee (\$20): Payable upon submission
Processing Fee (\$100): Payable at closing (Additional fees may be applicable)

USE OF FUNDS

Leasehold Improvements
Working Capital
Furniture, Fixtures & Equipment

ELIGIBILITY

U.S. Citizens or Permanent Resident Aliens who are residents of Guam for at least 3 years
Written Certification & Recommendation from the Department of Agriculture &/or UOG Agriculture Natural Resources, Cooperative Extension Services identifying applicant as a "Bonafide" Farmer or Commercial Farming Enterprise
Valid Guam Business License (if applicable)
Police and Court clearances

GUAM DEVELOPMENT FUND ACT

TYPE OF LOAN: Term/Line of Credit

MAXIMUM LOAN AMOUNT: up to \$1.2M

MAXIMUM TERM:

Line of Credit: One (1) year
Term Loan: Varies based on use of loan funds

INTEREST RATE: Up to 4% above U.S Treasury Index Rate

LOAN FEE:

Application fee (\$20): Payable upon submission
Processing Fee (\$100): Payable at closing (Additional fees may be applicable)

USE OF FUNDS

Start-Up Costs
Working Capital
Leasehold Improvements
Furniture, Fixtures & Equipment
Purchase, construction, renovation or improvements of an eligible place of business
Fees associated with construction of business

ELIGIBILITY

U.S. Citizens or Permanent Resident Aliens who are residents of Guam
Two (2) Declination Letters from Financial Institutions
Registered Business
Valid Guam Business License
Business Plan
Police & Court Clearances

STATE SMALL BUSINESS CREDIT INCENTIVE

TYPE OF LOAN: Term/Line of Credit

MAXIMUM LOAN AMOUNT: \$500,000

MAXIMUM TERM: 7 years

INTEREST RATE: Dependent on Bank Underwriting

LOAN FEE:

Guarantee Fee - Up to 4% of Total Loan Amount

USE OF FUNDS

Business Operations including Start-Up Costs
Working Capital
Business Procurement
Franchise Fees
Equipment, Inventory & the Purchase, Construction, Renovation or Improvements of an Eligible Place of Business

ELIGIBILITY

Requirements from Bank
Fee schedule based on Bank regulations

FOR MORE INFORMATION

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647 4332

BOARD OF DIRECTORS OF THE
GUAM ECONOMIC DEVELOPMENT AUTHORITY

RESOLUTION NO. 19- 01

RESOLUTION APPROVING THE SALE OF GOVERNMENT
OF GUAM GENERAL OBLIGATION BONDS AND
APPROVING AND AUTHORIZING THE EXECUTION OF
RELATED DOCUMENTS, AGREEMENTS AND
CERTIFICATES AND THE TAKING OF RELATED ACTIONS

WHEREAS, pursuant to Section 1512.4 of Title 5 of the Guam Code Annotated (the “Act”), the Legislature of Guam (the “Legislature”) has authorized the Governor of Guam (the “Governor”) to issue general obligation bonds from time to time;

WHEREAS, pursuant to Section 50103(k) of Title 12 of the Guam Code Annotated, agencies and instrumentalities of the Government of Guam (the “Government”) shall issue bonds and other obligations only by means of and through the agency of the Guam Economic Development Authority (“GEDA”) and only with the approval of the Legislature of the terms and conditions of such bonds;

WHEREAS, the Legislature has, by the passage of Public Law No. 3521, approved the terms and conditions of the issuance of one or more series of general obligation bonds from time to time (the “Bonds”) for the purpose, among others, of financing a new landfill cell for the Layon Landfill and related costs (as more particularly described in said Public Law, the “Series 2019 Project”);

WHEREAS, the Governor has requested that GEDA approve the sale of the Bonds in accordance with Section 1512.4(n) of Title 5 of the Guam Code Annotated and Section 50103(k) of Title 12 of the Guam Code Annotated;

WHEREAS, the Governor has requested that GEDA carry out such proceedings as are necessary to comply with the requirements of the Internal Revenue Code of 1986 (the “Code”), including requirements of the Tax Equity and Fiscal Responsibility Act of 1982, as amended (“TEFRA”) prior to the issuance of the Bonds;

WHEREAS, this Board of Directors (the “Board”) has determined that it is in the public interest for the Government to sell the Bonds or such portion thereof as may be advisable as determined by the Governor and the Chief Executive Officer/Administrator of GEDA (the “Administrator”), in one or more series, for the purpose of financing the Series 2019 Project;

WHEREAS, there have been presented to this Board of Directors the proposed forms of a certificate of issuance (the “Certificate”) pursuant to which the Bonds are proposed to be issued, the preliminary official statement relating to the Bonds (the “Preliminary Official Statement”), including therein a form of continuing disclosure certificate to be signed by the Governor (the “Continuing Disclosure Certificate”), and a bond purchase agreement pursuant to which the Bonds are proposed to be sold (the “Bond Purchase Agreement”);

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Guam Economic Development Authority as follows:

Section 1. The sale of the Bonds, or such portion thereof as may be advisable as determined by the Governor upon consultation with the Administrator, in one or more series, is hereby approved in accordance with Section 1512.4(n) of Title 5 of the Guam Code Annotated and Section 50103(k) of Title 12 of the Guam Code Annotated.

Section 2. The form of Certificate presented to this meeting relating to the Bonds to be executed and delivered by the Governor on behalf of the Government is hereby approved for execution and delivery on behalf of the Government, with such additions, changes and modifications as the Governor may approve upon consultation with the Administrator and legal counsel, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. The form of Bond Purchase Agreement presented to this meeting, relating to the Bonds and to be executed and delivered by the Governor on behalf of the Government and the Administrator on behalf of GEDA, and such other officers or representatives as may be specified therein, is hereby approved for execution and delivery on behalf of the Government and GEDA, with such additions, changes and modifications as the Governor and the Administrator may approve upon consultation with legal counsel, such approval to be conclusively evidenced by the execution and delivery thereof on behalf of the Government and GEDA; provided that the Bonds shall have an aggregate principal amount not to exceed \$30,000,000, shall have a final maturity not later than a date 12.5 years after the date of issuance of the Bonds, and shall bear interest at such rate or rates and shall be sold for such price or prices as shall result in a yield to the bondholders not greater than 6% per annum.

Section 4. The Preliminary Official Statement in the form presented to this meeting is hereby ratified and approved (including the form of Continuing Disclosure Certificate for execution by the Governor), and the distribution of the Preliminary Official Statement in connection with the offering and sale of the Bonds, with such changes, omissions and insertions as shall be acceptable to the Administrator and the Governor and with consultation from legal counsel, is hereby authorized, approved and ratified. The distribution of an Official Statement in substantially the form of the Preliminary Official Statement (the "Official Statement"), to be executed and delivered by the Governor on behalf of the Government upon consultation with the Administrator and legal counsel (such approval to be conclusively evidenced by the execution of the final Official Statement by the Governor), is hereby approved. The authorization of the Governor or the Director of Administration on behalf of the Government, upon consultation with the Administrator and legal counsel, is hereby ratified and confirmed for the purpose of certifying to the underwriters of the Bonds that the Preliminary Official Statement was deemed final as of its date within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934. The underwriters of the Bonds are hereby authorized and directed to deliver copies of the final Official Statement to the subsequent purchasers of the Bonds.

Section 5. The Governor is hereby expressly authorized to determine, consistent with the Act, and upon consultation with the Administrator and legal counsel, the number of series of Bonds to be issued under this resolution, the aggregate principal amount thereof, the maturity or maturities, the interest rates and prices, interest payment dates,

denominations, forms, registration privileges, terms and place or places of payment, terms of redemption, security and other terms of each series of the Bonds and the designation of the various accounts provided in the Certificate (such approval to be conclusively evidenced by the execution of the Certificate by the Governor). If the proceeds of the Bonds are less than the amount needed to fund in full all of the items for which such proceeds are appropriated in the Act, such proceeds are to be spent in accordance with the Act, or, if the Act is silent as to the priority of the application of the Bond proceeds, such proceeds are to be spent as determined by the Governor. The Bonds shall not be issued in an amount that would create a violation of the debt limitation imposed by 48 U.S.C. §1423(a).

The Governor and the Administrator are hereby also expressly authorized to arrange for such bond insurance, letter of credit or other supplemental security arrangements for each series of the Bonds as they may deem in the public interest, and to enter into any reimbursement or other similar agreements deemed by them to be necessary or appropriate in connection therewith.

Section 6. The Governor and the Administrator are hereby authorized and directed to do any and all things and to execute and deliver any and all certificates, agreements and documents which they may deem necessary or advisable in order to effectuate the purposes of this resolution. Such actions may include, but are not limited to, preparation of certain economic, demographic and other information relating to Guam for inclusion in the Preliminary Official Statement and the Official Statement, participation in the pricing and sale of the Bonds, the distribution of information and material relating to the Bonds, the publication of any notices and consummation of any proceedings necessary to comply with the requirements of the Code, including TEFRA requirements, the holding of any appropriate information meetings concerning the Bonds and the execution and delivery of any certificates or agreements to be delivered in connection with the issuance, sale or delivery of the Bonds, or any amendments thereto. In the event the Governor or the Administrator is unavailable, any action authorized or permitted to be taken by the Governor or the Administrator, respectively, herein may be taken by their respective duly authorized representative designated in writing.

Section 7. All actions heretofore taken by the officers, representatives or agents of GEDA in connection with the issuance and sale of the Bonds, including but not limited to the preparation of the Preliminary Official Statement and such undertakings as are required to comply with the requirements of TEFRA in respect of the Bonds, are hereby ratified, confirmed and approved.

Section 8. This resolution shall take effect from and after its adoption.

CERTIFICATE

I, Gia Blancaflor Ramos, Secretary of the Board of Directors of the Guam Economic Development Authority, do hereby certify as follows:

The foregoing is a full, true and correct copy of Resolution No. 19-01 duly adopted at a [regular/special] meeting of the members of the Board of Directors of the Guam Economic Development Authority, duly and legally held at the regular meeting place thereof on July 8, 2019, of which meeting all of said members had due notice and at which at least a majority thereof were present.

At said meeting said resolution was adopted by the following vote:

Ayes: 4

Noes: 0

Absent: 2

Said original resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

DATED: 7/8/2019

(S E A L)


Secretary, Board of Directors

**GUAM
ECONOMIC
DEVELOPMENT
AUTHORITY**

Moving Forward




BOND DISCLOSURE POLICY

July , 2019

Approved by the GEDA Board, July , 2019

Bond Disclosure Policy



Amendment to the Guam Economic Development Bond Disclosure Policy To Add the 2018 Amendments to Continuing Disclosure Requirements

Introduction

Over the past several years, local government issuers have increasingly been privately placing bonds and other municipal debt obligations directly with banks or other purchasers rather than utilizing an underwriter to sell the bonds publicly. The Securities and Exchange Commission (the “SEC”) is concerned that investors in publicly offered debt do not have adequate or timely information about privately placed obligations.

In 2018, the SEC adopted amendments (the “Amendments”) to the continuing disclosure provisions of Rule 15c2-12 (the “Rule”) to address that concern. The Amendments are effective on February 27, 2019. However, the Amendments apply *only* to municipal securities for which an issuer or obligated person (collectively, an “Issuer”) has entered into a written continuing disclosure agreement or contract (an “Undertaking”) executed on or after February 27, 2019. Undertakings entered into prior to February 27, 2019, are not impacted.

A Very Brief Continuing Disclosure Refresher

Since 1995, paragraph (b)(5) of the Rule has prohibited underwriters from purchasing or selling municipal securities covered by the Rule unless the underwriter has reasonably determined that an Issuer has agreed in a written Undertaking to provide specified information to the market on an ongoing basis. Very generally, the information to be provided consists of: (i) annual financial information and operating data, (ii) annual audited financial statements, if available; and (iii) timely notice of the occurrence of certain events (“Event Notices”). Each of these items, and the timing for disclosure, is specified in an Undertaking related to a specific issue of municipal bonds.

Currently, the required financial information and Event Notices are provided to the market via the Municipal Securities Rulemaking Board’s (“MSRB”) Electronic Municipal Market Access (“EMMA”) system.

The Amendments - Event 15 and Event 16

Prior to the Amendments, the Rule specified 14 events for which Event Notices are required to be filed. The Amendments add two additional events to the Rule, described referred to as “Event 15” and “Event 16”. For Undertakings entered into on or after February 27, 2019, Issuers must also agree to post an Event Notice to EMMA within 10 business days of the occurrence of either Event 15 or Event 16.

Event 15 requires an Event Notice as described below:

(15) Incurrence of a “financial obligation” of the obligated person, *if material*, **or** agreement to covenants, events of default, remedies, priority rights, or other similar terms of a “financial obligation” of the obligated person, any of which affect security holders, *if material*.

Event 16 requires an Event Notice as described below:

16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a “financial obligation” of the obligated person, *any of which reflect financial difficulties*.

Financial Obligation is Defined; Other Terms are Not. The Amendments also added a definition of “financial obligation” to the Rule. Essentially, a “financial obligation” is a privately placed obligation, such as a bank loan or a direct placement of securities. The Amendments define “financial obligation” to mean a:

- (A) Debt obligation;
- (B) Derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or
- (C) Guarantee of an obligation or instrument described in paragraph (A) or (B).

The term “financial obligation” *does not* include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule. Publicly offered/underwritten obligations for which an official statement has been provided to the MSRB do not constitute “financial obligations” for purposes of Event 15 and Event 16.

The Rule does not define any of the terms used in the definition of “financial obligation.” The SEC’s adopting release with respect to the Amendments (the “Release”) indicates that the term “financial obligation” includes only debt, debt-like, and debt-related obligations. Ordinary financial and operating liabilities incurred in the normal course of an Issuer’s business do not constitute “financial obligations.” According to guidance contained in the Release, a “debt obligation” is a vehicle to borrow money. Any short-term or long-term debt obligation of an Issuer under the terms of an indenture, loan agreement, lease, or similar contract is covered by the term debt obligation.

This guidance means that operating leases (for copiers and other equipment, for instance) should not constitute “debt obligations” regardless of size or duration. Conversely, the SEC specifically provided guidance that the term “debt obligation” generally should be considered to include lease arrangements that operate as vehicles to borrow money (certificate of participation transactions, for example). Agreements that do not fall neatly into these two categories will need to be analyzed on a case-by-case basis.

Similarly, the Rule does not define “derivative instrument.” However, the Release offers guidance that the definition is limited to derivative instruments entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation. A derivative instrument could be a swap, futures contract, forward contract, option, or any similar instrument to which an Issuer is a counterparty if the instrument is designed to hedge against the risks of a related debt obligation. Derivative instruments designed to mitigate investment risk are not included in the definition.

Finally, “materiality” is an elusive concept under the federal securities laws that are based on the facts and circumstances of a particular scenario and the Amendments do not provide a definition. Generally, something is material if there is “substantial likelihood that a reasonable security holder would consider the information important in deciding whether to buy or sell a

security.” Some factors about what constitutes “materiality” include the size of an Issuer’s overall balance sheet, the size of existing obligations or the size of the overall bond portfolio. However, the Release specifically cautions that these are not the only factors that are relevant in evaluating the facts and circumstances surrounding financial obligations.

What must GEDA do on or after February 27, 2019?

If GEDA or the Government of Guam and those agencies or instrumentalities of the Government of Guam (“ Issuer ”) issues new securities that are subject to the Rule on or after February 27, 2019 (“the Effective Date”), the Amendments apply and Event 15 and Event 16 must be included in the related Undertaking. The Amendments do not apply retroactively to Undertakings entered into prior to February 27, 2019. For example, if an Issuer entered into Undertakings with respect to bonds issued in 2013 and 2017, the Amendments do not apply to those bonds.

This means that an Issuer will be required to disclose any financial obligations or other contracts specified in Event 15 that are incurred in the future (if they are material), but the Issuer is not required to retroactively disclose any obligations or contracts previously entered into. However, the Issuer must provide notice of the occurrence of any of the items listed in Event 16 that occur in connection with *any* of its financial obligations (even if not material), regardless of when they were issued. In addition, if the Issuer were to enter into a *material amendment* to a financial obligation following the Effective Date, it would likely have to provide notice of such amendment going forward even if the underlying financial obligation was entered into prior to the Effective Date,

Other Considerations. Issuers should be aware that in connection with a new issue of municipal securities subject to the Amendments, underwriters will not only review the Undertaking being executed in connection with the new securities to determine compliance with the Amendments, but may also inquire about the Issuer’s existing “financial obligations” and the material terms of those financial obligations (whether or not they are required to be reported under Event 15).

In addition, underwriters will likely inquire as to whether the Issuer has policies or procedures reasonably designed to comply with the Amendments. If the Issuer does not have formal policies and procedures, it should be able to describe the steps it takes to ensure compliance with its undertakings.

GOVGUAM BOND DISCLOSURE POLICY AND PROCEDURES

Policy Owner: GEDA Public Finance Division	Approved by: The Board of Directors	
Supersedes Policy Dated: August 24, 2017	Approval Date: _____	Review Date: August 1st with regular updates to be done with closing of each bond.

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 E. GEDA Tobacco Settlement Asset Backed Bonds Series 2007

 F. GovGuam Limited Obligation (Section 30) Bonds Series 2016

1. INTRODUCTION OF BOND DISCLOSURE POLICY AND PROCEDURES

1.1 Purpose

This Municipal Securities Disclosure Policy and Procedures (the “Policy”) provides a policy framework and establishes procedures for the Government of Guam’s compliance with primary and continuing disclosure requirements under federal securities laws for bonds, notes, and other obligations (collectively “Obligations”) issued by the Government of Guam and backed by its revenue or issued by third parties but that carry a backup pledge of other financial resource of the Government. The Guam Economic Development Authority (“GEDA”), in consultation with the issuers of obligations backed directly by Government of Guam revenue, developed this Policy to aid Guam in meeting its disclosure responsibilities under Securities and Exchange Commission (SEC) regulations and associated contractual undertakings relating to disclosure. This document also is intended to serve as an orientation and training guide for Guam officials.

Formalizing current Guam disclosure practices via written policy and procedures is intended to further two key goals: i) compliance with applicable federal law and regulations; and ii) timely and cost-effective funding of Guam’s long-term capital needs.

Entities of the Government of Guam subject themselves to the requirements of federal securities laws when they issue municipal debt via the public bond market. The framework of the current system of securities regulation was put in place by the Securities Act of 1933 (the “33 Act”) and the Securities and Exchange Act of 1934 (the “34 Act”, and together with the 33 Act, the “Securities Acts”), which included broad anti-fraud provisions (requiring sellers to tell investors the whole truth) and created the SEC. Although municipal debt was initially exempt from many Securities Acts provisions, amendments passed in 1975 expanded their applicability to include a “government or political subdivision, agency or instrumentality of a government”, making clear that Guam and local government issuers are not exempt from the antifraud provisions of Section 17(a) of the 33 Act, Section 10(b) of the 34 Act, and SEC Rule 10b-5 (issued under Section 10(a) of the 34 Act).

SEC regulations and enforcement activities regarding disclosure practices (both primary and secondary market) continued to evolve as new forms of municipal debt proliferated and a few high profile defaults occurred. Investors, regulators and the financial press largely focused on the absence of ongoing information of many municipal credits. Large issuers tended to be in the market more frequently and provided ongoing information, both in official comments and in periodic financial reports, but small issuers could go years without issuing additional debt and, thus, without providing any updated information to the market. Investors complained about this lack of ongoing or “continuing” disclosure.

1.2 SEC Regulations

In response to these concerns, the SEC promulgated, and has subsequently amended from time to time, Rule 15c2-12 (the “Rule”) prohibiting underwriters from offering bonds unless the issuer provides an official statement (effective 1989) and contractually promises to provide specified disclosures prescribed in the Rule (effective 1994), including annual financial information, audited financial statements (when and if available), and event notices.

To facilitate compliance with the Rule, each Guam issuer must enter into a continuing disclosure agreement with the original purchaser/underwriter in connection with each new issuance of obligations, thereby contractually promising to provide the market with these disclosures.

Simultaneous with the 1994 amendment to the Rule, the SEC issued an interpretive release repeating its basic assertion of issuer liability under Rule 10b-5 that “disclosure documents used by municipal issuers, such as official statements, are subject to the prohibition against false or misleading statements of material facts, including the omission of material facts necessary to make the statements made, in light of the circumstances in which they were made, not misleading.”

An omitted fact is material if there is a substantial likelihood that, under all the circumstances, the omitted fact would have assumed actual significance in the deliberations of the reasonable investor. There must be substantial likelihood that the disclosure of the omitted fact would have been viewed by the reasonable investor as having significantly altered the “total mix” of information made available.

The focus of materiality is on the importance of the information to investors making investment decisions. Examples of information that might be material include: issuer financial statements, unfunded pension liabilities, anticipated loss of significant revenue sources, and anticipated or pending litigation in which there is a potential adverse judgment that could materially affect the issuer’s financial position or operations. No specific listing of material information can be made, as the identification of material information will vary over time, from issuer to issuer, and with the nature of the municipal debt at issue.

1.3 Guam Officials’ Liability

The requirements imposed by SEC regulations can create risks for Guam officials who oversee the disclosure process. While the prudent selection and use of experts can minimize liability and provide certain safeguards, GEDA and Government of Guam issuers have a level of responsibility for accurate and complete disclosure that cannot be completely delegated. Having a good understanding of the principles of disclosure will enhance officials’ ability to make the right decisions when dealing with their own facts and circumstances. GEDA will endeavor to use best practices and uniform procedures, and attorneys, consultants or other experts, as necessary, to ensure primary and secondary disclosure is timely completed in full compliance with SEC regulations.

2. SEC DISCLOSURE REQUIREMENTS

2.1 Primary Offering Disclosure

Each time a Guam issuer issues obligations backed by a Government of Guam revenue, the issuer is responsible for preparing a preliminary official statement (POS) and a final official statement (OS). These official statements consist of two basic parts:

Part I. Transaction-specific description of the obligations being issued and the offering, prepared at the time of the transaction, and commonly referred to as the ‘front-half’ of the OS.

Part II. “Information Concerning the Island of Guam” included as Appendix A in each OS. Appendix A provides current and historic information on key economic and demographic information, the Guam budget and finances, Guam debt, retirement system funding and financial positions, and other information deemed necessary to comply with SEC disclosure requirements. Appendix A is commonly referred to as the ‘back-half’ of the OS.

The POS and OS are intended to provide requisite disclosure to the original purchasers and subsequent holders of the obligations.

2.2 Continuing Disclosure

Continuing disclosure information is intended to reflect the financial or operating condition of an issuer as it changes over time, as well as specific events occurring after issuance, that can have an impact on both the ability to pay amounts owed and the market value of the obligation if bought or sold prior to maturity. Each publicly issued Guam obligation has its own continuing disclosure requirements, and not all types of continuing disclosure will apply to each.

For each new issuance, SEC Rule 15c2-12(b)(5)(i) requires a written agreement between the issuer and the original purchaser/underwriter for the benefit of holders of municipal securities, to provide the following to the Municipal Securities Rulemaking Board (“MSRB”) in an electronic format as prescribed by the MSRB.

Event Information

Event information consists of both certain facts and certain changes relating to the Government of Guam Issuer’s business and affairs. Examples of some developments that could result in updated information are as follows:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other

material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;

- (7) Modifications to the rights of security holders, if material;
- (8) Bond calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution or sale of property securing repayment of the securities, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership or similar event of the obligated person
- (13) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (15) Incurrence of a financial obligation of the obligated person if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material.
- (16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

Supplementing the specified events in the Rule listed above, the Government of Guam also agrees in its continuing disclosure undertakings, to provide timely notice of any failure of the Legislature to appropriate moneys for the purpose of paying costs to be incurred by the Government of Guam in performing the continuing disclosure agreement for the applicable fiscal period and termination of the continuing disclosure agreement.

2.3 Voluntary Disclosure

Although the Rule prescribes certain annual information and event-based disclosures that must be filed, issuers may determine that additional information would be of interest to investors. To this end, Guam issuers may choose to voluntarily disclose other information to the MSRB that goes beyond the requirements of the Rule. This information may include, but is not limited to, items such as monthly financial reports, updates on issues that could affect Guam's budgetary, financial, or economic position, annual/biennial budgets, and changes in rating outlooks.

3. GUAM DISCLOSURE COMPLIANCE

3.1 New Issue Official Statements

For each public offering, the Guam issuer must prepare or have prepared a POS and a final OS. The Guam issuer, along with its legal counsel and GEDA, reviews and discusses necessary disclosure information in drafting the POS. At transaction closing, the Guam issuer provides a certification stating that the information contained in the OS, including Appendix A, both as of its date and the date of closing, does not contain any untrue statement of material fact or omit to Guam any material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

The Guam issuer also includes in such certification a statement that, to the best of its knowledge, there has been no material adverse change (other than in the ordinary course of the operations of the issuer) in the financial condition of the Guam issuer from that set forth in or contemplated by the OS.

In connection with each bond issue, the Guam issuer should retain legal counsel for assistance and advice regarding the Guam issuer's disclosure responsibilities with respect to the POS and OS. This legal counsel may be the designated Bond Counsel for the issue or it may be a separately engaged Bond Counsel.

3.2 Appendix A – Information Concerning the Island of Guam

GEDA is responsible for maintaining "Information Concerning the Island of Guam" that is included as Appendix A in each POS and OS for Government of Guam obligations. GEDA continually updates the Appendix A and provides a copy to each Guam issuer and other issuers of Guam obligations for use in their official statements. Each issuer is required to review and confirm that the information in Appendix A is sufficient and appropriate under SEC disclosure requirements for that issuer's particular financing.

The GEDA Administrator also certifies that the information contained within Appendix A as of the date of the OS and as of the date of closing, does not contain any untrue statement of material fact or omit any material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

GEDA, in consultation with its Bond Counsel, has developed and adheres to the following best practices in its review, updating and maintenance of Appendix A:

- Utilize official reports and direct discussions with Guam key stakeholders to identify potential disclosure items.
- Emphasize clear and concise disclosure.
- Make recommendations for improving the disclosure process and regularly solicit and consider recommendations made by others.
- Does not view the process of updating Guam's disclosure documents as a mechanical insertion of more current numbers. All parties involved in the disclosure process are asked to consider the need for additions and revisions in both its content and form.
- Regularly communicate with Guam departments and agencies that serve as a source of information contained in Appendix A to ensure timely updates are made. This includes

communicating with the Office of the Attorney General for any updates to existing descriptions of threatened or pending litigation as well as requesting information on any new or threatened litigation that should be described.

- Provide any other reports or information that would aid in causing disclosures to be materially accurate and not misleading.

3.3 Continuing Disclosure

Pursuant to Section 50103(k) of Title 12 of the Guam Code Annotated, GEDA is responsible for ensuring compliance with continuing disclosure requirements. GEDA accepts responsibility at the time of issuance for ongoing compliance with the requirements set-forth in each continuing disclosure agreement entered into by the Guam issuers, including the provision of required annual information, audited financial statements (when and if available) and specified event notices. GEDA also accepts disclosure responsibility for obligations with financial recourse to Guam revenue issued by other Guam agencies and authorities.

GEDA consults with its Bond Counsel regularly and as needed to discuss possible disclosure events and to ensure timely compliance with the reporting of specified disclosure events as required.

3.4 Training

GEDA's Public Finance Division personnel will participate in continuing education and training regarding municipal securities disclosure compliance and related best practices at least once each calendar year.

3.5 GEDA to serve as the Government of Guam's Disclosure Agent for General Obligation debt, Limited Obligation debt and Certificate of Participation's

The Government of Guam has engaged the Guam Economic Development Authority (GEDA) to serve as the Government's primary disclosure and dissemination agent. In this role, GEDA files and disseminates Guam's continuing disclosure information, posts specified event notices, and voluntary notices to the MSRB's Electronic Municipal Market Access (EMMA) system as required by the Rule and by continuing disclosure agreements.

The GEDA website will also serve as an investor relations portal, providing investors the ability to research Guam information under Public Finance Guam Bond Information.

4. GEDA Disclosure Process

GEDA prepares and submits required annual disclosure for all Government of Guam General, Limited and COP Obligations. The annual disclosure requirements consist of annual information and certain audited financial statements (when and if available), as required by continuing disclosure agreements entered into by the Guam issuer pursuant to the Rule.

See Exhibit A for list of current list of bonds in which GEDA files annual disclosures.

5. Periodic Review of Policy and Procedures

This Policy and corresponding procedures shall be reviewed and updated periodically as new requirements are identified or improvements are made. Copies of any revised policy and procedures will be distributed to the Guam issuers and posted on the GEDA website as soon as any revisions are made.

EXHIBIT A

Current list of obligations in which GEDA acts as disclosure agent
as of June 2019

A. GovGuam Limited Obligation Business Privilege Tax (BPT) Bonds

Under the Indenture the Government of Guam has agreed to provide the following{ (1) the audited financial statements of the Government; an(2) in the Official Statement under the heading “Business Privilege Tax Revenues” including information of the type set forth in “Table 1 – Government of Guam Business Privilege Tax Collection”, “Table 2 – Government of Guam Business Privilege Tax Monthly Collection and “Table 3 – Sectors Collecting Business Privilege Tax Revenues, and (3) Table A-19 – Summary of Major Categories of General Fund Revenues and Expenditures located in “Appendix A” of the Official Statement.

Significant Events That Must Be Reported: (1) principal and interest payment delinquencies; (2) unscheduled draws on debt service reserves reflecting financial difficulties; (3) unscheduled draws on credit enhancements reflecting financial difficulties; (4) substitution of credit or liquidity providers, or their failure to perform; (5) issuance by the Internal Revenue Service of proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 570 TEB); (6) tender offers; (7) defeasances; (8) rating changes; and (9) bankruptcy, insolvency, receivership or similar event of the obligated person.

Filing Deadline for Annual Disclosure: June 27 (270 days after Fiscal Year End)

B. GovGuam Limited Obligation Hotel Occupancy Tax (HOT) Revenue Bonds Series 2011A

Under the Indenture the Government of Guam has agreed to provide the following: (a) audited financial statements of the Tourist Attraction Fund for the preceding fiscal year (if not available, the un-audited financials in a similar format); and (b) to the extent not included in the audited financial statements of the Government’s Tourist Attraction Fund, the annual report should also include: Table 1 – Historical Rates of the Hotel Occupancy Tax, Table 2 – Annual Hotel Occupancy Tax Revenues and Visitors Calendar Years 2004-2010, Table 3 – Monthly Hotel Occupancy Tax Collections Calendar Years 2006-2010, Table 4 – Hotel Occupancy Taxes Collected Fiscal Years 2004-2010, Table 5 – Annual Visitor Arrivals to Guam, Table 7 – Annual Calendar Year Visitor Arrivals by Country, Table 9 – Top Fifteen Hotel Operations in Guam as of November 2010, and information regarding new hotel construction on Guam.

Significant Events That Must Be Reported: (1) principal and interest payment delinquencies; (2) unscheduled draws on the debt service reserves reflecting financial difficulties; (3) unscheduled draws on the credit enhancements reflecting financial difficulties; (4) substitution of the credit or liquidity providers or their failure to perform; (5) Issuance by the Internal Revenue Service of proposed or final determination of taxability or of a Notice of Proposal Issue (IRS Form 5701 TEB); (6) tender offers; (7) defeasances; (8) rating changes; and (9) bankruptcy, insolvency, receivership or similar event of the obligated person.

Filing Deadline for Annual Disclosure: June 27 (270 days after Fiscal Year ends).

C. Guam Department of Education Certificates of Participation (JFK Series 2010, Okkodo Series 2013 and Industrial Development Authority (Tiyán Lease) Series 2014)

Annual Disclosure Obligations for JFK Series 2010: (a) audited financial statements of the Government of Guam for the prior fiscal year (if unavailable unaudited financials in a similar format); (b) budgeted revenues and expenditures of the Government of Guam for the current fiscal year; and (c) JFK historic student enrollment for the prior fiscal year.

Annual Disclosure Obligations for Okkodo Series 2014: audited financial statements of GEFF II for the prior fiscal year (if unavailable, unaudited financials in a similar format).

Annual Disclosure Obligations for IDA (Tiyán Lease) Series 2014: Under the Indenture the Authority has agreed to provide the following (a) audited financial statements for the immediately preceding Fiscal Year; (b) Table 2, “Summary of Major Categories of General Fund Revenues and Expenditures”; (c) Table 3, “Government of Guam Outstanding Indebtedness”; (d) in Appendix A, Table A-6, “Government of Guam Business Privilege Tax Collection”; (e) Table A-12, “Annual Hotel Occupancy Tax Revenues”; and (f) Table A-17, “Department of Defense Procurement Contracts for Guam Fiscal Years”.

Significant Events That Must Be Reported: (a) principal and interest payment delinquencies; (b) non-payment related defaults; (c) modifications to rights of Bondholders; (d) optional, contingent or unscheduled Bond calls; (e) defeasances; (f) rating changes; (g) adverse tax opinions or events affecting the tax-exempt status of the Certificates; (h) unscheduled draws on the credit enhancements reflecting financial difficulties; (i) substitution of the credit or liquidity providers or their failure to perform; and (j) release, substitution or sale of property securing repayment of the Certificates.

Filing Deadline For Annual Disclosure: June 27 (270 days after the Fiscal Year End).

Other Filing: On or before November 15 of each fiscal year, commencing November 15, 2010, provide Municipal Securities Rulemaking Board a report indicating whether the annual deposits or transfers of rental have been made in accordance with Section 4.01(b) and (e) of the Lease agreement.

D. Government of Guam General Obligation Bonds Series 2009

Annual Disclosure Obligations: Under the Indenture the Authority has agreed to provide the following: (a) audited Financials for prior fiscal year (if not available, the un-audited financials in a similar format); (b) budgeted revenues and expenditures of the Government for the current fiscal year; (c) to the extent not provided in the audited financial statements, historical information of the type shown in Table A-6 of the Official Statement, entitled “Schedule of Section 30 Revenues Requested and Received”; and (d) to the extent not provided in the audited financial statements, historical information of the type shown in Table 3 of the Official Statement, entitled “Government of Guam Outstanding Debt.”

Significant Events that must be reported: (a) principal and interest payment delinquencies; (b) non-payment related defaults; (c) modifications to rights of Bondholders; (d) optional, contingent or unscheduled bond calls; (e) defeasances; (f) rating changes; (g) adverse tax opinions or events affecting the tax-exempt status of the Bonds; (h) unscheduled draws on the debt service reserves reflecting financial difficulties; (i) unscheduled draws on credit enhancements reflecting financial

difficulties; (j) Substitution of the credit or liquidity providers or their failure to perform; (k) release, substitution or sale of property securing repayment of the Bonds; and (l) change in FY.

Filing Deadline for Annual Disclosure: June 27 (270 days after Fiscal Year End)

E. GEDA Tobacco Settlement Asset Backed Bonds Series 2007

Annual Disclosure Obligations: Under the Indenture, the Authority has agreed to provide the following: An Annual Report of core financial information and operating data for the prior fiscal year including: (a) audited Financials for prior fiscal year (if not available, then un-audited financials in a similar format); (b) material historical quantitative data on the Authority's revenues, expenditures, financial operations, indebtedness; and (c) debt service coverage for the most recent full Bond Year for each Series of Outstanding Bonds

Significant Events That Must be Reported: (a) principal and interest payment delinquencies; (b) non-payment related defaults; (c) modifications to rights of Bondholders; (d) optional, contingent or unscheduled Bond calls; (e) defeasances; (f) rating changes; (g) adverse tax opinions or events affecting the tax-exempt status of the Bonds; (h) unscheduled draws on the debt service reserves reflecting financial difficulties; (i) unscheduled draws on the credit enhancements reflecting financial difficulties; (j) substitution of the credit or liquidity providers or their failure to perform; (k) release, substitution or sale of property securing repayment of the Bonds; and (l) change in Fiscal Year.

Filing Deadline for Annual Disclosure: April 28 (210 days after the Fiscal Year End)

F. GovGuam Limited Obligation (Section 30) Bonds Series 2016

Annual Disclosure Obligations: Under the Continuing Disclosure Certificate, The Government shall, or shall cause the Dissemination Agent to, not later than nine months after the end of the Government's fiscal year (presently September 30), commencing with the report for the fiscal year ended September 30, 2016, provide to the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may cross-reference other information as provided in Section 4 of this Disclosure Certificate. The Annual Report shall be submitted on a standard form in use by industry participants or other appropriate form and shall identify the 2016A Bonds by name and CUSIP number.

The Government's Annual Report shall contain or include by reference the financial statements referenced in Section 6.06 of the Indenture. The Government's Annual Report shall contain or include by reference historical financial information regarding the amount and timing of Section 30 Revenues received by the Government, including information of the type set forth in the Official Statement under the heading "Table 2—Summary of Section 30 Revenue Collections based on Audited Financial Statements, Fiscal Years 2007-2016," and historical financial information of the type set forth in "Table A-18 – Summary of Major Categories of General Fund Revenues and Expenditures Fiscal Years 2011-2015" located in Appendix A – "General Information Regarding the Territory of Guam" of the Official Statement under the heading "GOVERNMENT OF GUAM OPERATING RESULTS – General Fund Operations."

Significant Events That Must be Reported: (a) principal and interest payment delinquencies; (b) non-payment related defaults; (c) modifications to rights of Bondholders; (d) optional, contingent or unscheduled Bond calls; (e) defeasances; (f) rating changes; (g) adverse tax opinions or events affecting the tax-exempt status of the Bonds; (h) unscheduled draws on the debt service reserves

reflecting financial difficulties; (i) unscheduled draws on the credit enhancements reflecting financial difficulties; (j) substitution of the credit or liquidity providers or their failure to perform; (k) release, substitution or sale of property securing repayment of the Bonds; and (l) change in Fiscal Year.

Filing Deadline for Annual Disclosure: The Government shall, or shall cause the Dissemination Agent to, not later than nine months after the end of the Government's fiscal year (presently September 30), commencing with the report for the fiscal year ended September 30, 2016.

*** *END* ***



MEMORANDUM

July 8, 2019

To: GEDA Board of Directors
From: Melanie Mendiola, Chief Executive Officer/Administrator
Subject: Guahan Sustainable Culture (GSC)
(TNN Guam, Inc. dba Tsubaki Hotel Community Contribution)

Request:

Guahan Sustainable Culture’s mission is to cultivate ideas and strategies of environmental sustainability within our local community through education, social engagement and collaborative partnerships. They provide training skills and information for our community members to help solve pressing issues including access to fresh local food. Additionally they offer workshops for beginning farmers in cultivating and sustaining small-scale gardens and family farms that include hydroponic and aquaponics methods.

GSC is seeking funding for an upcoming partnership with Village Micro-Farm, the leading microgreen producer on island, to equip and supply a hydroponic production system for leafy greens to increase production of fresh produce to our youth in the public schools.


Staff Recommendation:

This request qualifies under the category of higher education/cultural preservation contained in QC 254 TNN Guam, Inc. dba Tsubaki Hotel “community contribution” section. We therefore recommend approval to allocate \$15,500.00 (fifteen thousand five hundred dollars) from QC No. 254 to support GSC and Village Micro-Farm.

GEDA Board Action: Approved [] Disapproved



David John, Chairman



Date



GUÅHAN SUSTAINABLE CULTURE

180 Golondrina Ave, Barrigada, Guam 96913 | gusustainable@gmail.com | 671-687-6491

April 9, 2019

Melanie Mendiola
Administrator
Guam Economic Development Authority
ITC Building, Suite 511
590 South Marine Corps Drive
Tamuning, Guam 96913

RE: Community Contribution request for Guåhan Sustainable Culture

Dear Director Mendiola:

At Guåhan Sustainable Culture, our mission is to cultivate ideas and strategies of environmental sustainability within our local community through education, social engagement, and collaborative partnerships. GSC envisions a Guåhan where its people strive toward food sovereignty and greater food security and where its people are proficient in cultivating their own food.

We provide training, skills, and information for our community members to help solve pressing issues including access to fresh local food. We offer workshops for beginning farmers in cultivating and sustaining small-scale gardens and family farms that include hydroponic and aquaponic methods.

Just one of the many upcoming projects to accomplish is securing fresh produce to our youth in the public schools. With the help of other organizations and the required resources, we can help sustain this project. We have a partnership with Village Micro-Farm, the leading Microgreen producer on island, but capacity on the farm is limited. Page two is a list of resources that GSC would need to increase production at Village Micro-Farm to support this endeavor.

We hope that GEDA will consider a community contribution toward these efforts. I look forward to your response. Should you have any questions, please feel free to contact me at any time. Si Yu'us Ma'ase.

Respectfully,



Michelle C. Crisostomo
Co-Founder/President



GUÅHAN SUSTAINABLE CULTURE

180 Golondrina Ave, Barrigada, Guam 96913 | gusustainable@gmail.com | 671-687-6491

Below list the equipment and supplies needed to meet the expected demand of fresh produce for Guam's public schools:

Microgreen production: shelves, grow lights, trays, media, seeds and packaging supplies	\$2,500
A-Frame hydroponic commercial production system for leafy greens: Consisting of 14 grow tubes (pvc piping), air pump, water pump, pvc fittings and valves, seeds, hydroponic nutrients and supplements	\$10,000
Program coordination and record keeping subsidy	\$3,600





MEMORANDUM

July 8, 2019

To: GEDA Board of Directors
From: Melanie Mendiola, Chief Executive Officer/Administrator
Subject: Farm to Table - Guam Corp
(Guam Healthcare Development, Inc. dba Guam Regional Medical City (GRMC) Community Contribution)

Request:

Farm to Table – Guam, Corporation creates and expands jobs in the agricultural industry by continuously working with new and existing farmers to train, grow, market and sell locally grown produce and products through three sales channels: through farm stand/market stands, a Community Supported Agriculture Subscription Service, and to the commercial market. Most of the farmers do not have any employees and need to stay on the farm. This leaves them with minimal amount of time to market and sell their crops. The company truck and van are critical as they serve as the primary mode of transportation for pick up, delivery, outreach, and visiting farmers for training.

Farm to Table - Guam Corp is seeking funding to lease a Nissan NV 1500 Van, Nissan Frontier Pickup Truck and related expenses such as insurance and gas.

Staff Recommendation:

This request qualifies under the category of Economic Development with priority on the promotion of Medical Industry and Small Business contained in QC 252 Guam Healthcare Development, Inc. dba Guam Regional Medical City "community contribution" section. We therefore recommend approval to allocate \$18,000.00 (eighteen thousand dollars) from QC No. 252 to support Farm to Table - Guam Corp.

GEDA Board Action: Approved [] Disapproved



David John, Chairman



Date





ATTN: David John, Chairman Board of Directors
Guam Economic Development Authority (GEDA)
590 S. Marine Corps, Dr.
Suite 511 ITC Building
Tamuning, GUAM 96913

July 3, 2019

Dear Chairman David John,



Farm to Table-Guam, Corporation creates and expands jobs in the agricultural industry by continuously working with new and existing farmers to train, grow, market, and sell locally grown produce and products through three sales channels: through farm stand/market stands, a Community Supported Agriculture Subscription Service, and to the commercial market. We have been working with over thirty local farmers for approximately seven years through programs and services that create jobs, open or expand businesses, and open opportunities for farmers to sell more and waste less, all while lessening our dependence on imported produce.

Most of the farmers we work with do not have any employees and need to stay on the farm. This leaves them with a minimal amount of time to market and sell their crops. Over the years, we have assisted in these areas and have received great feedback through surveys about our ability to help them through transportation and sales assistance. When surveying farmers in 2016 and 2017, 84% stated that we have impacted their business considerably, assisting with marketing, promotion, and/or distribution and had an increase in customers and/or income.

The company truck and van are critical as they serve as the primary mode of transportation for pick up, delivery, outreach, and visiting farmers for training. These vehicles are necessary in the event commercial orders need to be filled at the same time of the CSA order or pop up markets or farm stands or even outreach events, and play a very important role in the sales and distribution aspect of assisting farmers.

In support of GEDA's Agriculture Accelerator Program to get produce into schools by September 2019, we would like to humbly request a total of \$18,000 for the lease of a Nissan NV 1500 Van, Nissan Frontier Pickup Truck and related expenses such as insurance and gas. We have enclosed the vehicle leases and insurance statements for your reference.



With your assistance, we can continue to lessen the community's reliance on imports, increase food security, and strengthen the island's agricultural economy.

Thank you for your consideration.

A handwritten signature in black ink, appearing to read "Thalia Gange", is written over a horizontal line.

Thalia Gange
Business and Fiscal Officer