

**USDA RURAL DEVELOPMENT ECONOMIC DEVELOPMENT  
LOANS & GRANTS  
GUAM AND THE COMMONWEALTH OF THE NORTHERN MARIANAS**

**GUAM**

**Business Programs**

- Since 2000, USDA has assisted 27 businesses in Guam with over \$34.3 million in **Business & Industry (B&I) Guaranteed** Loan funds. This has resulted in the creation or saving of over 1,033 jobs for Guam.
- Since 2000, a total of three **Intermediary Relending Program (IRP)** loans totaling \$2 million were approved for the Pacific Islands Development Bank (PIDB). The funds will be leveraged with \$2 million from PIDB to establish an aggregate \$4 million revolving loan fund to provide low-interest loans to public, private and non-profit organizations for business and community development in Guam, CNMI.
- Since 2000, a total of 17 **Rural Business Enterprise Grant (RBEG)** awards totaling \$975,272 were made to public bodies and non-profit organizations in Guam for projects that will assist in the development of small and emerging business enterprise. Projects include a \$50,000 ARRA RBEG award was made to the Port Authority of Guam during FY 2010 to finance strategic planning and a feasibility study to develop the Gregorio D. Perez Hagatna Marina and the Agat Marina.

During FY 2009, a \$65,000 RBEG was awarded to the Pacific Islands Microcredit Institute (PIMI) to fund technical assistance and establish a revolving loan fund. With the grant award, PIMI will establish a revolving fund to provide assistance to third parties who are qualified individuals participating in the PIMI microcredit loan program.

- In 2009, the first **Rural Energy for America Program (REAP)** award in the amount of \$20,000 was made for a business that will use the REAP funds to help offset the cost of a 20Kw solar photovoltaic system that will be mounted on a warehouse. The system should provide 100% of the businesses annual electric needs, including the projected increase of an expansion of the current office space.

**Community Programs**

- Since 2000, a total of \$85.1 million in **Community Facility (CF) Direct and Guaranteed Loans and Grants** were made for essential community facility projects in Guam. There was another \$916,000 in CF grants provided to Guam, CNMI and American Samoa combined during the same period.
  - **Port Authority of Guam** – USDA Rural Development approved \$50 million (\$25 million CF Guaranteed/\$25 million CF Direct loan) award in favor of the Port Authority of Guam. Funds will be used, in combination with \$50 million in grant funds from the US Department of Transportation (through DoD) for a total of \$100 million, to fund critical Port modernization projects that are a critical prerequisite for the military construction program supporting the

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realignment of U.S. Marine Corps forces from Japan to Guam, a part of the overall U.S. strategy for military forces in the Pacific region.

- **University of Guam** – During FY 2001, a \$13.5 million CF Direct loan was approved in favor of the University of Guam (UOG). Funds were used for the construction of a new College of Business & Public Administration building. USDA RD funds for this project allowed UOG to address a critical need that was identified as an area of concern in the Western Association of Schools and Colleges (WASC) report. The previous building was deemed structurally unsafe due to damage, wear and tear through years of typhoons, earthquakes and other tropical climate conditions.
- **Guam Community College** – During FY 2002, a \$440,000 CF Direct loan was made in favor of the Guam Community College. Loan funds were used to construct a water reservoir and booster pump station for the college campus. The College is in an area that is frequently faced with low water pressure that often forces the college to close. The project not only alleviates this situation but it also allowed the college to gain an occupancy permit for the newly constructed administrative offices building.

**CNMI**

**Business Programs**

- In FY 2010, USDA RD approved an **RBEG** in favor of the CNMI Department of Commerce in the amount of \$85,373. The CNMI has yet to return to its business peak experienced in 1997. The closure of the garment industry and the downward spiral of the tourism industry, the principal economic pillars of the CNMI, have crippled the economy to say the least.

In response to the plummeting economy of the CNMI, both the public and private sectors organized several formal and informal events to address ideas on sustainable alternative industries that provide viable options for the CNMI to pursue. The various sessions culminated in an Economic Restoration Summit that yielded the identification of four (4) specific industries which the CNMI could develop that would provide for realistic and sustainable growth. The four (4) growth industries that were identified as a result of the ERS are Agriculture, Aquaculture, Education, and Call/Data Centers.

The USDA RBEG funds will be used for technical assistance that will ultimately promote the growth of the four industries, particularly for small business development.

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- **REAP** – During FY 2011, USDA RD approved a grant in the Commonwealth of the Northern Marianas Islands, Oceana Consultancy, LLC has been selected to receive a \$21,931 feasibility study grant to analyze a proposed anaerobic digester project to produce renewable energy and manage organic waste on the Island of Saipan.

**AMERICAN SAMOA**

**Business Programs**

- Since 2001, USDA has assisted 3 businesses in American Samoa with over \$26.1 million in Business & Industry (B&I) Guaranteed Loan funds. This resulted in the creation of over 100 jobs for American Samoa.
- In 2004, USDA approved one Rural Business Enterprise Grant amounting to \$41,166 to assist in the development of small and emerging private business enterprise.

**Loan Applications in Process (Guam):**

- To date in fiscal 2011, program funding is limited and it is unlikely that we will be able to fund any large requests. This has been clearly conveyed to our applicants. However, large loan projects often take years to develop and have targeted financing from Rural Development :
  - University of Guam: \$34.5 million for the construction of a new student services and academic facility and refinance existing debt
  - Guam Institute of Natural History and Cultural Heritage: \$25 million combination CF direct and guaranteed loans for the construction of a new educational facility
  - Government of Guam, Department of Land Management: \$15.7 million CF guaranteed loan for construction of a new administrative headquarters
  - Guam Legislature: \$4 million CF direct loan for construction of new Legislative facility
  - Guam Memorial Hospital Authority: \$500,000 grant request for medical equipment

Guam, CNMI and American Samoa  
**USDA Rural Development Community Facilities**

FY	Area	Office	Borrower	Purpose	Grants	Direct Loans	Guaranteed Loans	Other	Funds Obligated
2010	2		Guam Community College	Construction		2,250,000			2,250,000
	2		Port Authority of Guam	Renovation		25,000,000			25,000,000
	2		Port Authority of Guam	Renovation			25,000,000		25,000,000
	<b>2010 Totals</b>					<b>\$ -</b>	<b>\$ 27,250,000</b>	<b>\$ 25,000,000</b>	
2009	2		Asmuyao Community School	Property	\$ -	\$ 480,000	\$ -	\$ -	480,000
	2		Port Authority of Guam				1,000,000		1,000,000
	2		Government of Guam		59,612				59,612
	2		Judiciary of Guam		100,000				100,000
	<b>2009 Totals</b>					<b>\$ 159,612</b>	<b>\$ 480,000</b>	<b>\$ 1,000,000</b>	
2008	1		Development Bank of American Samoa	Service		19,500			19,500
	1		LBJ Tropical Medical Center/EMS	Service		97,000			97,000
	1		Manumalo Baptist Schools	Education		17,910			17,910
	1		South Pacific Academy, Inc.	Education		13,500			13,500
	1		The Poor Sisters of Nazareth, Inc. of AS	Service		31,090			31,090
	2		Academy of Computer Arts & Sciences	Education	\$ 10,000	\$ -	\$ -	\$ -	10,000
	2		Government of Guam	Service	65,000				65,000
	2		Pacific Missionary Aviation	Health Care	75,000				75,000
<b>2008 Totals</b>					<b>\$ 329,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 329,000</b>
2007	1		American Samoa Government		\$ 25,000	\$ -	\$ -	\$ -	-
	1		American Samoa Government		32,000				
	1		Development Bank of American Samoa		7,840				
	1		Swains Island Eco-Cultural		32,000				
	2		Government of Guam		51,562				
	2		Port Authority of Guam				7,000,000		
	2		Port Authority of Guam				3,500,000		
<b>2007 Totals</b>					<b>\$ 148,402</b>	<b>\$ -</b>	<b>\$ 10,500,000</b>	<b>\$ -</b>	<b>-</b>

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**USDA Rural Development Community Facilities**

FY	Area	Office	Borrower	Purpose	Grants	Direct Loans	Guaranteed Loans	Other	Funds Obligated
2006	2	62-01	Port Authority of Guam	Service	-	2,000,000	5,000,000	-	7,000,000
	2		SDAC Guam Micronesia		100,000				
<b>2006 Totals</b>					<b>\$ 100,000</b>	<b>\$ 2,000,000</b>	<b>\$ 5,000,000</b>	<b>\$ -</b>	<b>\$ 7,000,000</b>
2005	2		CNMI Government		14,000				
	<b>2005 Totals</b>					<b>\$ 14,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
2004	2	62-01	Government of Guam Public Library	Education	15,000			5,000	20,000
	2	62-01	Guam Department of Education	Service	50,000			16,667	66,667
<b>2004 Totals</b>					<b>\$ 65,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 21,667</b>	<b>\$ 86,667</b>
2003	2	62-01	Academy of Our Lady of Guam	Education	\$ 37,500	\$ -	\$ -	18,750	\$ 56,250
	2	62-01	Bishop of Guam		37,500				
<b>2003 Totals</b>					<b>\$ 75,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 18,750</b>	<b>\$ 56,250</b>
2002	2	62-01	Guam Community College	Education	-	440,000		-	440,000
	2	62-01	Guam Department of Education	Education	25,000			41,667	66,667
<b>2002 Totals</b>					<b>\$ 25,000</b>	<b>\$ 440,000</b>	<b>\$ -</b>	<b>\$ 41,667</b>	<b>\$ 506,667</b>
2001	2	62-01	University of Guam	Education		13,500,000		1,222,860	14,722,860
	<b>2001 Totals</b>					<b>\$ -</b>	<b>\$ 13,500,000</b>	<b>\$ -</b>	<b>\$ 1,222,860</b>
<b>Totals</b>					<b>\$ 916,014</b>	<b>\$ 43,670,000</b>	<b>\$ 41,500,000</b>	<b>\$ 1,304,944</b>	<b>\$ 76,591,056</b>