



Guam Hotel and Restaurant Association

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August 18, 2009

Senator Tom Ada
Chairman
Committee on Utilities, Transportation, Public Works and Veterans Affairs
I Mina' Trenta na Liheslaturan Guahan
155 Hesler Place
Hagatna, Guam 96910

Dear Senator Ada,

The Guam Hotel & Restaurant Association's Board of Directors received the Port Authority of Guam's Master Plan Update during its July 28, 2009 meeting. The GHRA Board of Directors unanimously approved full support of the PAG Master Plan and would like to urge you and your fellow colleagues in the 30th Guam Legislature to approve the PAG Master Plan.

The GHRA recognizes there is an immediate need to take action to ensure the critical needs are met at the PAG to meet the demands of today's economy in addition to the all-too-important capacity concerns and demands of the pending military build up. As you and your colleagues already know, the PAG is our lifeblood for the throughput of goods for our island and our region. A lack of action on your part could result in the PAG becoming a choke point for natural growth in our economy as well as for the military build up, which has been shared by JGPO and other agencies.

The PAG Master Plan includes the PAG's financial feasibility plan, implementation plan and economic impact statement. Up to \$200 million worth of planned improvements are included in the modernization plan, which consists of several upgrades including a break bulk storage yard, a customs inspection site and the purchase of three used gantry cranes. It is our understanding the PAG Board and Administration have identified the necessary and adequate funding through federal resources such as the USDA loan to fund up to \$50 million for Phase I, which will allow the PAG to seek additional funding for \$49.2 million in American Recovery and Reinvestment Act (ARRA) Title XII Funds. The assured federal funds will help increase the eligibility for additional funding for the remainder of the PAG Master Plan. With this, we see no reason to delay the decision therefore support the 30th Guam Legislature in moving forward with the PAG Master Plan.

As the leading tourism Non-Government Organization (NGO), the GHRA strives to be an active corporate citizen in the community and works with others to improve the overall quality of life in the Island of Guam. The GHRA advocates just legislation that is fair and protects the interest of the people of Guam, the business community and the hospitality industry which directly employs 20,000 people (35% of the population), contributes \$37.9 million annually for Gross Receipts Tax and collects \$20 million annually for Hotel Occupancy Tax.

Regards,



JEFFREY SCHWEIZER

Chairman

Guam Hotel & Restaurant Association



MARY P. TORRE

President

Guam Hotel & Restaurant Association