

# 20 years of growth in 5

## Guam population will add 42,000 by 2013

**TO THE POINT**

▲ The military buildup is expected to increase the population of Guam by about 42,000 people over the next five years.

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During rush-hour traffic in Dededo, Tamuning and Tumon, cars often move at barely a crawl in bottleneck areas.

That's Guam today, with its

population estimated at close to 173,000.

Add more than 42,000 people to that figure five years from now, according to data from a draft transportation plan.

"Guam will experience 20 years of population growth in just five years with the military buildup," the 2030 Guam Trans-

portation Plan states.

The plan, which takes into account the U.S. military buildup, outlines massive projects that include widening and building new roads for civilian as well as military needs. The plan includes a mass transit system that would work for a lot more people than its current

small pool of riders.

The military buildup has been projected to cost as much as \$15 billion, and would include: relocating thousands of U.S. Marines and their families from Okinawa; expanding the Navy

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and Air Force bases; and building an Army ballistic missile defense facility.

By 2015, when the military buildup is expected to be complete, Guam's population will top 231,000, according to the report. Without the military buildup, it would take Guam at least two decades to reach that level of population growth.

The Department of Public Works plan proposes seeking a combination of funds from the Department of Defense, the Federal Highway Administration and other pockets within the federal government.

Some members of the community have voiced a mix of optimism and concern regarding the growth.

**Preparation**

John M. Lee, who owns a Shell service station along Route 3, in the general area of the preferred site for a Marine base, said he welcomes the anticipated growth.

"Wow," was Lee's initial comment when he heard of the population growth projection.

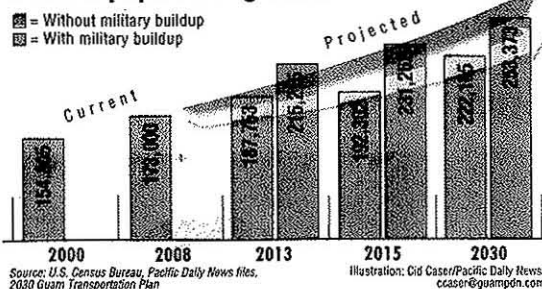
A larger population means more opportunities for entrepreneurs such as Lee, who's also opening popular Japanese pastry shop Beard Papa's at Guam Premier Outlets.

But, at the same time, Lee would like to see Guam — as a community — prepare better to handle the projected growth. He offered the analogy of would-be parents who must learn parenting skills as best as they can before having children.

"If we are going to expect that," he said of the population surge, "we must do our homework."

And that homework, he said, in-

**Guam's population growth**



Source: U.S. Census Bureau, Pacific Daily News files, 2030 Guam Transportation Plan

Illustration: Cid Caser/Pacific Daily News/caserc@guampdn.com

cludes establishing social safety nets and a system that makes sure quality of life for those who already call Guam home doesn't suffer.

**Potential strain**

Economist Joseph Bradley said the bottom line is that, yes, Guam can handle the projected growth.

"After all, we did so during World War II, and again during the Vietnam War," said Bradley, a senior vice president at the Bank of Guam.

Defense Department representatives have called the proposed buildup the biggest military move in Guam since World War II.

The host community, Bradley said, won't like the potential strain of that growth — crowding, traffic congestion, sewer overflows and water shortages.

"Unless we make some rather enormous moves now, today — which we should have made last year, or the year before — if we don't do whatever we can in the civilian community to prepare for what we know is coming, we will come nowhere close to optimizing

the benefits that we might still receive," Bradley said.

"It is time to make the tough decisions and take the aggressive actions that are needed for the prospective growth and prosperity of Guam. Given the global economic situation, we can't afford to wait," Bradley said.

**Housing**

Part of the challenge when 20 years of growth is compressed into five years is whether there will be enough homes for all the newcomers.

Between 1990 and 2000, Guam has seen a population growth rate of 14 percent.

In five years, if the plan's projection is correct, the number of people on Guam will surge about 24 percent — that means one additional person for every four people who currently live on Guam.

There's no reason to doubt the population growth projection in the transportation plan, states SMS Research and Marketing Inc., a Honolulu research partner for PCR Environmental Inc. PCR has been se-

lected to conduct a housing study for the government of Guam.

Accommodating a population of 215,000 by 2013 would require housing construction rates on Guam to increase by 40 percent to 50 percent, according to SMS.

"If ... the 215,000 projection is used, and there is no change in the housing production rate, Guam would need an additional 5,573 new units, or almost 1,115 units per year, between 2008 and 2013," SMS officials said.

**Contrasting markets**

The military buildup puts Guam's economic outlook in stark contrast with the gloom engulfing the housing market in the U.S. mainland.

In most of the nation, the number of new homes being built has fallen to lows not seen in decades, while home purchases have seen double-digit drops, according to wire news service reports.

In contrast, Guam faces an overall construction boom that's in the billions of dollars for both private-sector and military projects.

Based on the 2015 population projection, Guam would need about 7,500 more civilian housing units, said Nick Captain, president of Captain Real Estate. His company tracks local housing data.

The military also is expected to build houses within the proposed Marine base in the Finegayan area on Route 3. About 8,000 Marines and their 9,000 dependents are expected to move to Guam.

The bulk of the military buildup construction is expected to start in 2010 — if the military receives all the environmental clearances it needs by early next year.

During the buildup's construction phase, 12,000 to as many as 20,000 additional construction workers are expected to be needed on Guam, and their count is included in the 2015 population projection.

The military, in an industry forum on Guam earlier this year, floated the idea of Olympic-village-style housing for the temporary workers. The worker housing could be converted into low-cost housing for Guam residents when the projects are completed, according to initial discussions between the local government and Defense Department representatives.

Captain emphasized that Guam is in a unique position of being perhaps the only U.S. location with guaranteed and significant major boost in population and economic growth within the next several years.

"Guam is looking at a phenomenal period of population and economic growth over the next five years, and there will be good and bad accompanying that growth," Captain said. "It is a phenomenal growth."

Guam currently has about 26,500 stand-alone housing units and approximately 5,000 condominium units, according to Captain's estimates. The vacancy rate for the stand-alone houses, or single-family dwellings, is around 10 percent at this time, he estimated.

"If we play our cards right, and the government makes good decisions, the quality of life will increase," Captain said.

Developing social safety nets for local residents is key to helping Guam residents as the island transforms into a much bigger community, Captain said.