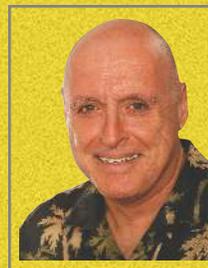


THE EXTRA POINT

BY JERRY ROBERTS



784 Should Guam Incentivize Workers to Move Here?

Should Guam consider paying people to come here to live and work? Wait a second, is this some crazy socialistic plan from the Democrat progressives to further erode our capitalistic system? The answer is coming, next on The Extra Point.

What if someone said, “We should pay certain people to come to our island and work here for maybe three years” — what would be your reaction? Good idea? Bad idea? Crazy idea?

However you answer that, know that this is now a national trend, with cities competing for workers, and Guam may one day soon have to join in.

Just as states have long battled to land investments and job creation from companies, and Guam is involved in that arena through GEDA, but not nearly to the extent we should be, cities have ramped up their efforts to convince workers to settle in their communities.

Dozens of cities are currently offering up to \$16,000 in cash incentives, home buying allowances, tax credits and money toward local goods and services — all in the hope of attracting people to relocate there. These offers can be seen at MakeMyMove.com, a site launched last December to connect workers with cities around the country. At present, 37 cities have offers on the site, including one from San Juan, Puerto Rico.

Let’s get under the hood and check this out. The idea is not totally new. City and state workforce development groups have long incentivized new residents, tossing tax breaks and loan forgiveness if they buy a home.

The pandemic has turned a relative trickle of people who are leaving urban areas for lesser populated living options, into a continual flow. The cost and negative aspects of living in places like New York, L.A., San Francisco and

Chicago, has taken its toll on millions and they’re moving elsewhere.

About 8.9 million people already moved between March and October 2020, up nearly 100,000 from the year prior, and young professionals are the group most likely to relocate during the pandemic.

According to an article on CNBC.com, many of the offers list home buying grants, tax breaks, memberships to co-working spaces, and money to spend at small businesses including restaurants, gyms, shops and services. For example, Baltimore will pay \$5,000 toward a down payment on a new home there, The Shoals in northwest Alabama, has \$10,000 in cash over the course of a year if the applicant is accepted into its relocation program. The coastal communities of Southwest Michigan, 90 miles from Chicago, are offering \$15,000 in a grant. Cities are looking at each other’s offers, and adding to theirs to remain competitive.

Perhaps the most famous of these is the Tulsa Remote initiative, launched in 2018, offering applicants \$10,000 to move to Tulsa, Oklahoma for a year. The offer delivers benefits like apartment specials, co-working memberships, learning opportunities, and social activities. Tulsa Remote says it’s brought 600 people into the city, 90% of whom stay beyond their 12-month commitment.

In general, these programs are geared to lure remote workers, and often younger workers. They will bring a paycheck with them, with disposable income to spend locally, plus tax revenues. If Guam were involved, anyone who worked and got paid here, would file their taxes here, and 100% of those income taxes stay on-island.

So, could Guam compete in this arena?

(Con’t.)

If so, what incentives would we have to offer to be attractive, and make sure our offer could stand up against all the others?

That's The Extra Point. Be responsible and make something good happen today. For 93.3 and the Ray Gibson Show, I'm Jerry Roberts.

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