

An Island Transformation

A new building and a new brand help create visibility and a new 'vibe' for a Guam credit union.

By Brett Conway, LEED AP BD+C



In the myriad of decisions that credit union CEOs and boards must make, some are small, some are big, and some change the way you do business. Identifying opportunities and taking risks can be the difference between merely staying the course or creating lasting change for your members and your community. For Guam's Coast360 Federal Credit Union, Maite, the decisions made around creating a new headquarters were, and continue to be, transformational.

Although the former Government of Guam Employees Federal Credit Union had had plans for expansion of its maxed-out headquarters since 2002, they were



still on the shelf in late 2006. Real estate prices were high on the island, and the board wanted to wait until the CU could get a better value on the purchase of the property. Then two events collided.

Included in the CU's growth plan was outreach to businesses to diversify its select employee group mix. The effort to do so started in 2003, with a marketing campaign promoting

membership as a no-cost benefit to employees. The demand from businesses wanting to join by mid-2004 was overwhelming. For CEO John Arroyo, this was a surprise.

"We had a plan of reaching out to maybe two businesses a quarter," says the CUES member. "It wasn't long before our marketing staff was talking to five to six a quarter. That's when I realized that we should change from an SEG to a community charter."

The board approved the new charter in early 2007. The CU's membership was expected to increase significantly.

Also in 2007, the U.S. military and the Japanese government announced the relocation to Guam of 8,600 Marines and their 9,000 dependents from the base at Okinawa, Japan. For Guam, a U.S. territory with 178,000 residents, this meant a dramatic population increase by 2014. There would also be an estimated 9,000 transient foreign workers for construction projects. The impact to the island was going to be huge.

"The timing seemed right to dust off those expansion plans," Arroyo says.

Over the years the CU had moved its main facility numerous times to accommodate growth. "With this location, we purchased sufficient land and constructed a facility to not only support projected growth out 10 to 15 years, but can be expanded to support even more growth beyond that horizon," Arroyo says. "Thus, there will be no further need to relocate our main facility."

Director Paul Leon Guerro had a vision: "This is the last headquarters we'll ever build." During a trip to Phoenix, he visited \$404 million Arizona Central Credit Union (www.azcentralcu.org) and liked what he

saw. Some research led him to Arizona Central CU's designers, EHS Design (www.ehs-design.com), Seattle.

EHS Design provided architecture, interior design, space planning, and strategic facilities planning for the new headquarters starting in October 2007.

An Island Education

We soon learned we faced some challenges building on the island. Guam, located 3,800 miles west of Hawaii in the Northern Mariana Islands, is 28 miles long by 8 miles wide, and a 13-hour trip from Seattle. During typhoons, wind speeds can reach 190 mph. Concrete with coral aggregate was used as the main building material. Everything is shipped or flown in. The vegetable ship arrives every Thursday.

As the project got underway, we began to understand some of the current local concerns. Guam was experiencing significant challenges with its landfill and waste water system. The solid waste division had recently been put under receivership by the U.S. Environmental Protection Agency for failure to decommission the current landfill and find a new location. Upgraded waste water systems were badly needed. To us, it seemed to make sense for an island with limited resources to embrace sustainability.

As with all our clients, we opened the door for them to consider sustainable options. We conducted an eco-charrette, which is a structured forum to learn about and incorporate sustainable elements, not only into buildings, but also into the surrounding environment. "Going green" struck a chord with the CU's building committee, who saw the chance

to do the right thing for their community despite 4 to 5 percent higher construction costs.

"It's costing us more, but we feel very strongly that this is the right thing for us to do as a responsible civic leader in the community ... something we think promotes the environment and sets an example," Arroyo says.

As may be expected, Guam offers significant challenges in developing sustainable strategies. Some of these include: 80-degree groundwater; a building code based on 1994 standards; equatorial sun angles; limited construction waste recycling programs; and no local commissioning agents—trained inspectors familiar with Leadership in Energy and Environmental Design certification requirements. Also, Guam's construction economy had little or no experience in LEED construction. We soon realized, though, that every partner, stakeholder, and consultant was enthusiastic about the opportunity.

A Brand-New Brand

The change from a SEG- to a community-based charter was a relatively easy one procedurally. However educating island residents who were now eligible for membership was a challenge.

"We still had the GGEFCU name," Arroyo says. "Even though we had promoted as much as possible ... there were still a lot of people who thought they had to be sponsored in by a government employee."

"We realized we probably needed to change our name, but thought it might be a hard sell to some of the members, especially those who had been with us a long time."

The CU's board decided to engage the founding members as ambassadors for the new brand to encourage their support

and be the public face of the change. At this point, CUES Supplier member Weber Marketing Group (www.webermarketing.com), a strategic branding and marketing consultancy and EHS Design partner, was brought on for rebranding and renaming.

Market research determined the CU was not top of mind for island residents and identified the need for a unique name and image to stand out. Weber Marketing Group, Seattle, guided an internal team at Government of Guam EFCU through the renaming process, which focused on setting the CU apart from other financial institutions, while still maintaining a connection to the island's rich history. In the end a new name was chosen for the \$273 million CU: Coast360.

The name reflects the realities of living on an island. Everyone is surrounded by the coastline and everyone in this isolated area needs to rely on each other. This is similar to the mission of the credit union: "We have many challenges, but together we thrive."

Initially the new name made people scratch their heads. One comment was that it sounded like a radio station, not a financial institution.

"But that's exactly what we wanted," says Arroyo. "We wanted people to talk about it, ask questions, think about what a credit union is ... it has really helped member growth."

Weber Marketing Group also created a new brand identity, including a website design refresh (www.coast360fcu.com) and marketing plan. For the new flagship branch located in the headquarters, the firm put together an integrated design and environmental graphic program with signage to point out the various "green" components throughout.

"Our focus was to create something fresh with a bond to the community that valued the importance of family and friends in their culture," comments Weber Marketing Group Account Manager Ruth Kapcia.

Home, Green Home

The grand opening of the new three-story, 48,000-square-foot operations center and flagship branch on a 3.7-acre site was Dec. 7, 2010.

The new branch includes some firsts for the island and for Coast360 FCU's members: drive-through banking, a remote teller system, self-service safe-deposit vault, ATMs inside the branch that accept cash and checks, and a coin counter. The branch is also designed for expansion as new service lines, such as investment products, are introduced. The branch includes a significant business lending and merchant services area as well.

While all 48,000 square feet are currently in

use, the strategic facility plan developed by EHS forecasts needing 20,000 square feet more in 10 years. This will be accomplished by adding an additional building and a two-story parking garage. The critical site design and infrastructure pieces for the long-term were integrated into the project. These provisions include an HVAC physical plant to serve two facilities.


The new headquarters is registered with the U.S. Green Building Council (www.usgbc.org), and is on target to become the first LEED® Silver private building on Guam. "Going green" adds a new memorable dimension to Coast360 FCU's brand: It instills pride and demonstrates the CU's commitment to sustainability, the island, the community, members and staff.

The Talk of the Island

Now, after six months of being in Guam's first commercial green building, the benefits and positive buzz continue.

"The building is still the talk of the island!" Arroyo says. He regularly gets requests for tours, even one from a group of architects and engineers from the U.S. Navy whose facilities now must be LEED Silver. Now there are at least three new buildings planned on Guam that will strive to meet LEED standards.

One big tangible benefit of going green is the new utility bill. The old facility came in at .75 cents per square foot. The new building comes in at a lean .30 cents per square foot.

"That's the best news our CFO has heard in a while," Arroyo jokes. When asked about the ROI, he says, "It will take a while, but this building is our new home and a long-term investment—it will come back—we're not in a hurry. Besides you can't put an ROI valuation on the positive vibe we now have in the community." 

Brett Conway, LEED AP BD+C, is chief operating officer of EHS Design (www.ehs-design.com), Seattle. EHS Design is a 40-person, full-service, fully integrated interior design and architecture firm. The 33-year-old firm provides architecture, interior design, space planning, and strategic facilities planning.

Resources

Order a copy of *CUES Complete Guide to Credit Union Facilities* by Paul Seibert, CMC, vice president of EHS Design, at cues.org/facilities_manual.

Read Seibert's regular "Facility Solutions" columns on cumanagement.org. Click "Archives" and search for "Seibert."