



Sen. Thomas Ada
Chairman

Committee on Transportation, Infrastructure, Lands,
Border Protection, Veterans' Affairs and Procurement
I Mina Trentai Tres Na Libeslaturan Guahan • 33rd Guam Legislature

JUL 28 2015

The Honorable Judith T. Won Pat, Ed.D.
Speaker
I Mina Trentai Tres Na Libeslaturan Guahan
155 Hesler Place
Hagåtña, Guam 96910

VIA: *for: R.C. Ad*
The Honorable Rory J. Respicio
Chairperson, Committee on Rules

RE: Committee Report on Bill No. 139-33 (COR) As Amended

Dear Speaker Won Pat:

Transmitted herewith is the Committee Report on Bill No. 139-33 (COR) As Amended. "An Act To Adopt Rules And Regulations To Govern Commercial Leases And Licenses For Commercial Use Of Chamorro Land Trust Properties. To Add New Subsections 14 And 15 To Section 6.9(g). And To Amend Section 6.9(g)(3) and 6.9(h) And To Add A New Subsection (g) To §75107 Of Chapter 75 Title 21 Guam Code Annotated."

Committee votes are as follows:

- 3 TO DO PASS
- TO NOT PASS
- 2 TO REPORT OUT ONLY
- TO ABSTAIN
- TO PLACE IN INACTIVE FILE

Si Yu'os ma'ase'.

Thomas C. Ada
Thomas C. Ada

2015 JUL 28 11 51 16



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I Mina Trentai Tres Na Libeslaturan Guahan • 33rd Guam Legislature

COMMITTEE REPORT ON

Bill No. 139-33 (COR)
As Amended

**“An Act To Adopt Rules And
Regulations To Govern Commercial
Leases And Licenses For
Commercial Use Of Chamorro Land
Trust Properties, To Add New
Subsections 14 And 15 To Section
6.9(g), And To Amend Section
6.9(g)(3) And 6.9(h), And To Add A
New Subsection (g) To §75107 Of
Chapter 75 Title 21 Guam Code
Annotated”**



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July 27, 2015

MEMORANDUM

To: **All Members**
Committee on Transportation, Infrastructure, Land, Border Protection, Veterans' Affairs and Procurement

From: **Senator Thomas C. Ada** 
Committee Chairperson

Subject: **Committee Report on Bill No. 139-33 (COR) As Amended**

Transmitted herewith for your consideration is the Committee Report on Bill No. 139-33 (COR) As Amended, "An Act To Adopt Rules And Regulations To Govern Commercial Leases And Licenses For Commercial Use Of Chamorro Land Trust Properties, To Add New Subsections 14 And 15 To Section 6.9(g), And To Amend Section 6.9(g)(3) And 6.9(h), And To Add A New Subsection (g) To §75107 Of Chapter 75 Title 21 Guam Code Annotated."

This report includes the following:

- Committee Vote Sheet
- Committee Report Digest
- Copy of Bill No. 139-33 (COR), As Introduced
- Copy of Bill No. 139-33 (COR), As Amended
- Public Hearing Sign-in Sheet
- Copy of written testimony/letters
- Fiscal Note/Waiver
- COR Referral of Bill No. 139-33 (COR)
- Notices of Public Hearing
- Public Hearing Agenda

Please take the appropriate action on the attached vote sheet. Your attention to this matter is greatly appreciated. Should you have any questions or concerns, please do not hesitate to contact me.



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COMMITTEE VOTE SHEET

Bill No. 139-33 (COR) As Amended, "An Act To Adopt Rules And Regulations To Govern Commercial Leases And Licenses For Commercial Use Of Chamorro Land Trust Properties, To Add New Subsections 14 And 15 To Section 6.9(g), And To Amend Section 6.9(g)(3) And 6.9(h) And To Add A New Subsection (g) To §75107 Of Chapter 75 Title 21 Guam Code Annotated."

COMMITTEE MEMBERS	SIGNATURE	TO Pass	TO NOT Pass	TO REPORT OUT ONLY	TO ABSTAIN	TO PLACE IN INACTIVE FILE
SENATOR THOMAS C. ADA Chairperson		✓				
SENATOR RORY J. RESPICIO Vice Chairperson						
VICE SPEAKER BENJAMIN J.F. CRUZ Member		✓				
SENATOR FRANK B. AGUON, JR. Member	 7/25/15	✓				
SENATOR DENNIS RODRIQUEZ, JR. Member						
SENATOR NERISSA UNDERWOOD Member						
SENATOR FRANK BLAS, JR. Member	 7/27/15					
SENATOR MARY TORRES Member						
SENATOR JAMES V. ESPALDON Member				✓		



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COMMITTEE REPORT DIGEST

I. OVERVIEW

Bill 139-33 (COR) was introduced on July 2, 2015 by Senator Thomas C. Ada, and was subsequently referred on July 2, 2015 to the Committee on Transportation, Infrastructure, Lands, Border Protection, Veterans' Affairs and Procurement. The Committee convened a public hearing on July 13, 2015 at 1:00 pm in *I Liheslaturan Guahan* Public Hearing Room.

Public Notice Requirements

Public Hearing notices were disseminated via email to all senators and all main media broadcasting outlets on July 6, 2015 (5-Day Notice) and again on July 9, 2015 (48-Hour Notice).

Senators Present

Senator Thomas C. Ada	<i>Committee Chairperson</i>
Senator Rory J. Respicio	<i>Committee Vice-Chairperson</i>
Vice-Speaker Benjamin J.F. Cruz	<i>Committee Member</i>
Senator Frank Aguon Jr.	<i>Committee Member</i>
Senator Frank Blas Jr.	<i>Committee Member</i>
Senator Mary Torres	<i>Committee Member</i>
Senator Tina Rose Muña Barnes	<i>Legislative Member</i>
Senator V. Anthony Ada	<i>Legislative Member</i>
Speaker Judith T. Won Pat	<i>Legislative Member</i>

The public hearing was Called-to-Order at 1:00pm.

II. SUMMARY OF TESTIMONY AND DISCUSSION

Chairperson Ada: Says they will begin the second half of the public hearing and starts with Bill No. 139-33, an act to adopt the rules and regulations to govern the commercial leases and licenses for commercial use of Chamorro Land Trust properties and to add new subsection 14 and 15 to section 6.9(g) and to add a new subsection (g) to section 75107 of chapter 75, title 21 Guam Code Annotated. Calls on people who have signed up to give testimony.

Michael Borja, Director of Land Management: Reads his submitted written testimony (see attached.)

Jose Garrido: Explains that at the rate DLM is producing revenue to develop the infrastructure for the Chamorro Land Trust it could take 50-100 years. At this rate there will be no land left for the Chamorro People. Mr. Garrido proposes to borrow the amount of money for a developer or planner to come up with an infrastructure development plan and use the leases to pay the installment plan. He realizes the goal for the infrastructure development may never be met



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during his time. He recommends getting together and thinking if leasing land for commercial use is a viable idea. Mr. Garrido admits there might be some stuff he does not agree on in Bill 139-33, but has not gone over the whole bill. He believes Mr. Borja has done a good job on working on the rules and regulations. He asks if we can concentrate on leasing the properties to Chamorro people instead of commercial businesses.

Chairperson Ada: Open the panels up for questions.

Senator Aguon: Asks Mr. Borja if there are any issues since the submission of the rules and regulations to the legislature that you would like to recommend to the committee for any slight adjustments?

Michael Borja: Tells them not at this time. Bill 139-33 does make 2 adjustments, one to the law and one to the rules and regulations.

Speaker Won Pat: Asks to clarify who can apply for a commercial lease?

Michael Borja: Explains that in section 6.9(d) eligibility in the bill discusses it specifically who can apply for a commercial lease using Chamorro Land Trust Land.

Speaker Won Pat: Asks if there is something similar with eligibility for employment where they get preference points.

Michael Borja: Responds by saying yes, but they haven't devised on how it is going to be looked at. If there is a tiebreaker then it will come down to the organization or who is someone who meets more of the eligibility of the Chamorro Land Trust rules.

Speaker Won Pat: Asks how long the leases are for?

Michael Borja: Tells her that current law says it has to be for 5 years, but if it is something for long term then they will be back here to this body requesting additional time knowing that the maximum is 50 years with 49 years option to extend.

Speaker Won Pat: Questions if the rules speak to that?

Michael Borja: Says the rules are superseded by the law and have to be kept as general as possible so that the rules don't conflict with the law.

Speaker Won Pat: Asks if should there be a need to go beyond 5 years, would they have to come down to the Legislature to do a blanket request or is it going to be a case-by-case basis?



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Michael Borja: Explains that it can be a case-by-case basis, but if an investor is investing a large amount of money, then he will be here requesting for a longer lease than 5 years. He would like to have something that's blanket, so he doesn't have to do that. There are specific guidelines in the rules DLM have to follow with respect to corporations who apply for commercial leases. The corporations will take on the financial responsibility on their part. Department of Land Management will focus on the annual audits and are working on the write-ups from previous audits done. They have been working on the past 3 audits which covered a span of 4 to 5 years is difficult, but the department is currently working on them. It has been a very slow process because it is difficult getting ahold of people who are under the home loan guarantee program. The auditor has been on the DLM case on this and they are working very hard on it.

Speaker Won Pat: Asks if there are any locations around the island, which are available for commercial leases?

Michael Borja: Responds with yes, particularly land along the roadways that are not suitable for agricultural use. There are also M1 zoned areas, which are being looked at by businesses, but DLM have been holding back pending the approval of the commercial rules and regulations. They have been told to submit the request in writing and once the rules and regulations are approved it would go through a solicitation process and reviewed by an external group.

Speaker Won Pat: Asks about the limited land available on the island, if these areas designated for commercial uses deprive land trust applicants from ever having land for themselves?

Michael Borja: Responds by saying no, the DLM does not believe so. The DLM participated in a tax assessment exercise held by Rev and Tax. In that exercise Chamorro Land Trust participated in a major way and is still under way. They went out and accounted for all their properties even the ones being utilized where homes are in existence. They also did major subdivision drawings and that's all in the review process for approval. Those lands will be sometime in the future for community development for residential use. Land Management sees the commercial rules and regulations helping advance that exercise in creating more homes for residential use instead of having to go out and seek money for hiring developers for this reason. They need the rules in place in order for Chamorro Land Trust to entertain commercial activities.

Speaker Won Pat: She is concerned about the availability of Chamorro Land Trust Land for the future because of how land is always being used such as compensation, land exchange, leases, and other reasons which we are slowly depleting the land inventory. She is also concerned with the land that is leased for commercial use in regards to the condition of the land once it is used commercially. She wants to make sure that we protect the land for future generations.

Michael Borja: Says they hope to have a graphic pictorial of Guam that will show them all the CLTC land. DLM hopes to not have to put any money in these developments and have the developers make their money on the homes they build in the subdivision. The rules also state that



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they have to be careful with the environmental state of the land. They will assess the land before and after it is used commercially. This will determine if there was any kind of spoilage of the land due to it being used commercially and hold the business responsible for it.

Speaker Won Pat: Asks whom the developers going to sell these homes to once it is built?

Michael Borja: Responds by saying to qualified applicants who have signed up for it and interested in these subdivisions with affordable homes. The cheapest price right now is roughly about 100,000 dollars for a house, however for a full infrastructure development it is about 125,000 dollars, plus the installation of power and water, which would increase the price. DLM is trying to get away from having people pay for the infrastructure that can cost them a large amount of money.

Chairperson Ada: Mentions the Chamorro Land Trust Law, Chapter 75 of Title 21 states that it is clear in section 75107, nothing herein shall be construed to authorize commercial lease or the license of Chamorro Land Trust properties prior the promulgation of Rules and Regulations. With Bill 139, it does away with that restriction and will now untie the Chamorro Land Trust Commissions and be able to issue leases. But for commercial leases, it's reasonable to assume your investors are going to invest money that's going to require a lease that goes longer than 5 years. Explains the law that requires leases longer than 5 years has to come down to the legislature for their approval that is also applicable to Chamorro Land Trust property.

Michael Borja: Clarifies that he is correct and states that they would go through that process before entertaining pieces of land and requesting for that period of time.

Chairperson Ada: Acknowledges that there has been a lot of interest being shown for commercial leases for Chamorro Land Trust properties. (Audio is cut, 33:28-33:50)
... In the middle of explaining a process: tells them it is to come to the legislature for approval for both leases if it is beyond the 5 years.

Michael Borja: Clarifies again that he is correct and explains that they want to come in if they had an idea of what they would use the land for. Explains that they will request for 50 years to begin discussion to lease the land because some of them will not be interested if there is a lease that has a limitation of 5 years.

Chairperson Ada: Explains that the current law states that if they foresee the leasing out of commercial property for longer than 5 years, it requires the Chamorro Land Commission to issue a notice of determination of need, which says they have an available Chamorro land trust property for development. Says the legislature does not have to approve that because a copy is given to them for information. The legislature does not get involved until you have developed a lease. They then decide to approve it as a whole or disapprove it.



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Michael Borja: He understands and mentions that he spoke with most of them before, individually before progressing with the lease to be sure that there will not be any “show-stoppers”.

Chairperson Ada: Commends Mr. Borja for reaching out to do that. States that he has one last item, section 6.9(g) of Rules and Regulations, which has to do with the terms and conditions of lease and license agreements. Explains that the rent should be based upon fair market value, and the fair market annual rent should be no less than 9%. The rent should escalate at 5-year intervals based upon original appraisals. Mentions a gap that states you have to increase the rent every 5 years. Questions if it is reasonable to increase rent by one half of 1% to 5 years.

Michael Borja: Says it is reasonable, but also explains the intent was to have flexibility with negotiations to whomever they had the lease with.

Chairperson Ada: Suggest inputting some sort of language that the regulation should be no less than a certain percentage and would like to look further into that.

Senator Tina R. Muña Barnes: Asks to clarify something for her information. She understands that some of the leases and contracts are still pending upon the commercial rules and regs of this commercial leasing asks if there are still any out there. Believes that at one point in time, there was an attempt to come to this body to approve a certain contractor/lease as relates to commercial leasing.

Michael Borja: Tells her that there are some commercial leases that already exist and that law permitted most of them. Things like telecommunications, the golf course was also written into the original law. There are a couple of them that are currently underway and the law requires grandfathering them even without those rules. Explains that they put a project on hold because it was not leased or licensed and states that it was an extractor program to fix land up for future subdivision development and that the Chamorro Land Trust would receive money from it, but our attorney said if it looked/smelled/acted like a lease, it was a lease, there's no rule so you can't do this and they stopped on that one. They're now waiting to start back on it once the rules are done.

Senator Torres: Asks if the authority to Commercial leases is strictly to the CLTC board.

Michael Borja: Tells her the final authority to approve the leases is with the Legislature.

Senator Torres: Asks if the input of the public with regard to leases is that afforded them at the CLTC level or at the legislative level? She asks if the venue for residents to express their disapproval, if there is a commercial lease being entertained.



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Michael Borja: Tells her it could be the Chamorro Land Trust meetings. There will be public announcements when they are looking to lease properties and will state the solicitation offer. Residents in the area will have the opportunity to make note of that and state any objections they may have and they will mentioned them at the board meeting. The municipal planning counsel for the mayor usually doesn't come into play until there's some sort of zoning, but it's something they can entertain.

Senator Torres: Agrees that the public should be aware and able to voice their concerns.

Michael Borja: Explains that that was their intent to make sure everyone could see that clearly.

Senator Blas: Asks with regards to the termination to the commercial leases and what kind of activities going to be permitted, and how that process begins.

Michael Borja: Tells her it depends on the type of zoning. If they had an agricultural zone and they intend to use it as commercial in an area that might be suitable for light industrial, then they would rezone the property before working on it. When people have offers to use certain land, there would have to answer a solicitation that they can't reserve the land strictly to them.

Senator Blas: Asks who determines what kind of activity would be best for that property.

Michael Borja: Responds by saying one of the commissioners would make up that group, but The Chamorro Land Trust has a memorandum of agreement with the Guam Economic Development Authority to manage our commercial properties at this time. They would help and assist us in seeking out people to lease the land.

Chairperson Ada: Does Chamorro Land Trust have a standing list of perspective commercial tenants that have an interest?

Michael Borja: Says they have a couple; they told them there's no vacancy. The most recent were people who are trying to answer a GPA RFP for solar or alternative energy source systems.

Chairperson Ada: Asks if they have a firm list and mentions that there was a list of 200 perspective tenants in 2010.

Michael Borja: Says no. they've been holding off on this for several years.

Chairperson Ada: Asks them to assume the Legislature goes into session on the last week of August, let's say September 1st. He questions if the governor passes the bill, if they are at a point where they have the makings of a lease agreement with a tenant.



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Michael Borja: Says yes, there's the one he mentioned earlier that they had put on hold. Everything was done in coordinates with the proper procurement processes.

Chairperson Ada: Asks if they're mining the area in back road and if they will then begin a process of determination.

Michael Borja: Responds by saying no, they've decided to stay at 5 years with this case and this will begin only the formal part of their property.

Chairperson Ada: Asks if they're looking to issue a 5-year contract with options to renew.

Michael Borja: Says he can't recall if they had options to renew. But they knew it was just 5 years.

Chairperson Ada: States that he believes the authority to lease property is limited up to 5 years and that's exclusive of renewal. He hopes there is no thought of issuing a 5 year release, letting it expire and then come back and...

Michael Borja: Tells him they've already spoken with them about going through the proper process to get it extended.

Chairperson Ada: Calls upon CLTC Commissioner Pascual Sablan to provide oral testimony.

CLTC Commissioner Pascual Sablan: Starts his testimony by saying he was looking at section 6.9(g), number 3, on the second sentence; and states that it says all lease and license agreements shall require tenants, asks what if they were to add in at least 3 words and subtenants to have a business insurance, and if this is a business insurance that indemnifies Chamorro Land Trust or should they say business liability insurance and the Chamorro Land Trust should also be a part of that insurance. He doesn't want the tenants to buy insurance then later terminate that insurance without their knowledge, and if failed to pay the premium. States that he hasn't discussed this with Mr. Borja, but in section 6.98, on the last sentence, it says CLTC, Administrative Director, Attorney General, and the Governor shall execute all agreements. He asks if it would hurt to add in CLTC Chairman, and the Vice Chair, and Chairman to be a part of this. So they can be held accountable.

Joe Garrido: Makes a comment about a public law that seems to say that any decision made by any government agency that found to be a violation of an existing law shall be, there should not be a decision by any agency to allow a violation of law, and he found that in one of the public laws that it's still existing in the books. He also wants to inform the senators that properties that existed below Andersen Air Force base, around the cliffs belong to the government of Guam and he wants to ask the Legislature to affirm and confirm that finding. And the other one is, in reference to his first statement, asks if this law retroactive to leases and subleases that were



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agreed upon and was not realized to be in violation of the law, and questions if there are subleases or leases of Chamorro Land Trust lands that were being subleased without the approval of Chamorro Land Trust.

Chairperson Ada: Responds by saying it's not going to be retroactive, but the provision in in here, in the rules and regs that whatever is in place stays in place; however, if the tenant finds that it will be beneficial to renegotiate under the new rules and regs, then they can come in and do that.

Addresses **Mr. Borja** for a question, in 75106, states that it says other officers not to Control Chamorro Homelands, the powers and duties of the governor and the department with respect to lands of the territory should not extend to lands having the status of Chamorro Homelands except as specifically provided for in this chapter. He isn't sure if there's anything in this chapter to proved for the governor. In page 9 of the rules and regs, 6.9(h) the governor's signature, all agreements on line 19, it reads that all agreements executed by the CLT administrative director, the attorney general, AND the governor. Questions if there is conflict here.

Michael Borja: Says he doesn't think so because that's a function of the executive department to approve those kinds of contracts, but in this case, because it deals with the land, then it also gets the final approval of the Legislature.

Chairperson Ada: Says but if the governor doesn't sign off on that part of the lease...

Michael Borja: Responds by saying then it doesn't get executed.

Chairperson Ada: Clarifies that his is right, but mentions that the law says, "not to control Chamorro homelands" and it says specifically the powers and duties of the governor shall not extend to lands to having the status of Chamorro Homelands.

Michael Borja: Says that what they're looking at is because it's a function of the executive branch to execute contracts, which would be why it's included, the attorney general reviewed it and that's what they saw.

Vice Speaker Cruz: Makes a comment on that provision and says that was the original law, and that was the reason the governors before the decision on CLT to oppose establishment of the CLT because they did not want to lose control over these properties. After issuing the opinion, they did lose it, and it was given to the CLT commission.

Chairperson Ada: Says based on that a lease is formulated, and asks if they all sign off and approve it, but if the governor doesn't sign, then will it still come down to the Legislature for approval or disapproval.



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Vice Speaker Cruz: Responds by saying if that happened, someone would take that to court and remind the governor that he has only ministerial power over the property, because now all this property is now under jurisdiction of these powerful commission members.

Chairperson Ada: Tells Mr. Borja that they'll get back to the Legislative Counsel on this one here to see if they're colliding, and maybe it can be avoided by deleting that word, but they'll have to check that.

Chairperson Ada calls Bill 139-33 to have been heard.

Written Testimony Submitted:

Michael J. B. Borja, *Director of Land Management* (July 10, 2015)

III. FINDINGS AND RECOMMENDATIONS:


The Committee finds that CLTC Commissioner Pascual Sablan recommended adding the words subtenant and liability to section 6.9(g)(3) to ensure that CLTC is not held accountable in case tenants decide to terminate their insurance. CLTC Commissioner Sablan also recommended adding the CLTC Chairman and Vice Chairman to section 6.9(h) to provide checks and balances between the Administrative Director and Chairman.

The Committee on Transportation, Infrastructure, Land, Border Protection, Veterans' Affairs and Procurement hereby reports out **Bill 139-33 (COR) As Amended**, by the Committee with the recommendation TO REPORT OUT ONLY.

I MINA'TRENTAI TRES NA LIHESLATURAN GUAHAN
2015 (FIRST) Regular Session

Bill No. 139-33 (enr)

Introduced by:

T.C. Ada 

2015 JUN 10 10:39

AN ACT TO ADOPT RULES AND REGULATIONS TO GOVERN COMMERCIAL LEASES AND LICENSES FOR COMMERCIAL USE OF CHAMORRO LAND TRUST PROPERTIES, TO ADD NEW SUBSECTIONS 14 AND 15 TO SECTION 6.9(g), AND TO ADD A NEW SUBSECTION (g) TO §75107 OF CHAPTER 75 TITLE 21 GUAM CODE ANNOTATED.

1 **BE IT ENACTED BY THE PEOPLE OF GUAM:**

2 **Section 1. Findings and Intent.** Section 75107(f) of Chapter 75, Title 21, Guam Code
3 Annotated authorizes the Chamorro Land Trust Commission to make rules and regulations
4 pursuant to the Administrative Adjudication Law to govern commercial leases and licenses for
5 commercial use of Chamorro Land Trust Properties.

6
7 **Section 2. Adoption of Rules and Regulations.** Rules and regulations, attached hereto
8 as Appendix “A”, governing the commercial use of Chamorro Land Trust Properties, and as
9 further amended herein, are hereby approved by *I Liheslaturan Guahan*. Section 6.9 of “The
10 Senator Paul Bordallo Rules and Regulations for the Chamorro Land Trust Commission” adopted in
11 Public Law 23-38 is repealed and reenacted by the rules and regulations attached hereto as
12 Appendix “A”.

13
14 **Section 3. Amendments.** The following sections of the Commercial Rules and
15 Regulations, as adopted, are hereby amended as follows:

16 (1) A new Subsection 15 under Section 6.9(g), Terms and Conditions of Lease or License
17 Agreements, is added to read as follows:

18 “15. Assignments. Leases shall require that assignments of the leasehold interest,
19 including changes of ownership, can only be effectuated by a tenant with the prior written
20 consent of the Board, which consent shall not unreasonably be withheld. Tenant requests

1 for assignment shall be in writing and shall contain the name, address, and description of
2 the business of the proposed assignee. The proposed assignee shall also comply with the
3 application requirements described in Section 6.9(e). Prospective assignees must agree to
4 accept all terms of the lease being assigned”.
5

6 (2) A new Subsection 16 under Section 6.9(g), Terms and Conditions of Lease or License
7 Agreements, is added to read as follows:

8 “16. Subletting. Leases shall require that subletting or allowing subtenants to sublet
9 the leasehold premises under any form of agreement including use and occupancy
10 permits, shall be allowed only with the prior written consent of CLTC, which consent
11 shall not unreasonably be withheld. Subleases shall be consistent with the intent of the
12 master lease and shall not include sublease of land. Requests for approval of subleases
13 shall be submitted by tenants and shall include at a minimum, the name, address, and
14 description of the business of the proposed subtenant, the proposed subtenant’s most
15 recent financial statement over the past three years and other evidence of financial
16 responsibility, its intended use of the premises, the terms and conditions of the proposed
17 sublease and a description of how the sublease meets or exceeds CLTC objectives. The
18 board shall approve all subleases which will include: (1) subtenant rents which the master
19 lessee will pay to CLTC a negotiated percentage of gross sub-rents; and, (2) participation
20 rent which the subtenant will pay to CLTC a negotiated amount defined as a percentage
21 of the gross annual income derived from the use of the property”.
22

23 **Section 4.** A new § 75107(g) of Chapter 75, Title 21, Guam Code Annotated is hereby added to
24 read:

25 “(g) Chamorro Land Trust Commission board of commissioners may also permit
26 commercial leases to be subleased or assigned under the following provisions:

27 (1) Commercial sublease. The master lessee of the commercial lease shall be
28 permitted to sublease rooms or space within their established building structure for
29 complementary commercial use. This provision does not permit the subleasing of the

1 leased land. ~~Said commercial sublease shall be allowed only with the prior written~~
2 ~~consent of CLTC, which consent shall not unreasonably be withheld.~~

3 (2) Assignment of commercial lease. A commercial lease may be assigned should
4 the ownership of the business holding the lease change and if the use of the original lease
5 does not change. ~~Said assignment of commercial lease shall be allowed only with the~~
6 ~~prior written consent of CLTC, which consent shall not unreasonably be withheld.~~”.

7
8 **Section 5.** The requirement for an economic impact analysis pursuant to §9301(i) of Title
9 5 Guam Code Annotated Chapter 9 Article 3 is waived.

10
11 **Section 6.** Severability. The Rules and Regulations contained in the Appendix “A”, as
12 amended, and adopted by this Act shall not affect the provisions of the Chamorro Land Trust
13 Act, Chapter 75 of Title 21, Guam Code Annotated. Any provision or application of these Rules
14 and Regulations which conflicts with the Chamorro Land Trust Act or is held invalid shall be
15 null and void. The invalidity of a provision or application shall not affect other provisions or
16 applications of the Rules and Regulations which can be given effect without the invalid provision
17 or application, and to this end the provisions of the Rules and Regulations are severable.

1
2
3 **APPENDIX "A"**

4 **"Commercial Lease and License Program"**

5
6 The following Section 6.9 is added to the "Senator Paul Bordallo Rules and Regulations
7 for the Chamorro Land Trust Commission" to read:

8
9 **Section 6.9. Commercial Lease and License Program: Purpose.**

10 The purpose of this part is to establish rules and regulations governing the announcement,
11 selection, negotiation, execution, administration, monitoring and modification of commercial
12 leases and licenses for real property owned and/or managed by the Chamorro Land Trust
13 Commission (CLTC). Commercial leases and licenses are intended for the highest and best use
14 of CLTC lands to provide necessary revenue to improve and enhance CLTC residential and
15 agricultural properties. Commercial leases and licenses are limited to CLTC real property made
16 available for this purpose, and that has been registered prior to being made available.

17
18 **Section 6.9(a) Definitions**

- 19 1. **"Commercial Lease"** is a leasehold interest in real property between the CLTC and a
20 lessee/tenant for the commercial use of real property under the management of the CLTC.
21 2. **"Commercial License"** is an agreement between the licensee and the CLTC which
22 permits certain activity to be conducted upon real property under the management of the
23 CLTC, but does not confer upon the licensee any title or leasehold interest, and is
24 terminable upon cessation of the approved activity.
25 3. **"Commercial Use"** means a purpose that furthers the commercial, trade, or profit
26 interests of a Lessee or Licensee. Commercial use includes mineral extraction for
27 commercial purposes but does not include commercial agriculture and aquaculture use
28 which is addressed in Section 6.7 (Livestock and Crops) of The Senator Paul Bordallo
29 Rules and Regulations for the Chamorro Land Trust Commission. The appropriate
30 regulatory clearances will be required for all commercial uses of CLTC lands.

1 4. *“Tenant”* means an applicant who has been approved for either a lease or license, and
2 can also be referred to as a “Lessee” or “Licensee.”

3 5. *“Default Remedies”* are actions the CLTC Board of Commissioners may direct the
4 Administrative Director to take to resolve noncompliance issues which may be actions up
5 to and including termination of the lease or license.

6
7 **Section 6.9(b) Board Authority.**

8 The Board of Commissioners of CLTC (the “Board”) shall be responsible for establishing
9 the policies and direction of the Commercial Lease and License Program (the “Program”). The
10 Administrative Director is directly responsible to the Board for the operation of the Program.

11
12 **Section 6.9(c) Available Property.**

13 Prior to any lease or license of CLTC real property for commercial use, the CLTC shall
14 publish a solicitation in a newspaper of general circulation, or through any methods of electronic
15 publication capable of providing notice to the general public of the opportunity to apply for
16 available real property under the Program. The CLTC may also accept from interested applicants
17 alternative proposals for lease or license of CLTC real property made available under the
18 Program.

19
20 **Section 6.9(d) Eligibility.**

21 Sole proprietorships, partnerships, corporations, limited liability companies, and limited
22 liability partnerships may submit a proposal to lease or license real property owned and/or
23 managed by CLTC. The owner(s) of a sole proprietorship, partnership, or limited partnership
24 must be a resident(s) of Guam. A corporation must be created under the laws of Guam or must
25 be a duly constituted “possession” corporation created under the laws of a state of the United
26 States of America and limited to doing its principal business in Guam. A limited liability
27 company must be created under the laws of Guam. The entity must possess a valid business
28 license prior to executing a lease and must demonstrate that its proposed use of CLTC property
29 will satisfy CLTC’s statutory objective of generating revenues for the programs administered by

1 CLTC or such other objectives as approved by the Board. Eligibility preference shall be granted
2 to an entity whose owner or company officer is a native Chamorro, as defined in 21 GCA,
3 Chapter 75.

4
5 **Section 6.9(e) Application Requirements.**

6 Each applicant is required to provide at a minimum, the following information:

- 7 1. Two (2) copies of the last three (3) most recent annual audited financial statements if
8 available;
- 9 2. A copy of the applicant's current business license and other licenses or permits required
10 by Guam law;
- 11 3. Revenue projections for the first five (5) years of the lease or license, two (2) copies of
12 applicant's corporate or formation documents (articles, bylaws, partnership agreement,
13 etc.);
- 14 4. Two (2) copies of the applicant's preliminary business plan for the use of the property, to
15 include personnel requirements, capital improvements, target market, financing source,
16 and other information deemed pertinent by CLTC;
- 17 5. A corporate resolution authorizing the submission of a proposal to lease or license (if
18 applicant is a corporation);
- 19 6. A qualitative description of its proposed use of the property and a quantitative description
20 of how the proposal will assist CLTC in achieving its objectives;
- 21 7. The applicant shall also complete and sign all required forms, including: a) Authorization
22 to Release Information Form, which will be used to obtain credit information from
23 lenders, trade suppliers, customers, and other similar sources; and, b) an Advanced Costs
24 Form which contains the applicant's agreement to pay recoverable expenses.

25 **Section 6.9(f) Evaluation and Action.**

26 CLTC shall determine whether the applicant has submitted all required information and
27 evaluate proposals based on the extent to which the applicant's proposal meets and exceeds
28 CLTC objectives as stated in the purpose herein. CLTC shall also conduct background checks of
29 the applicant using all possible sources as deemed necessary. Approval or denial of an

1 application shall be made by majority vote of the Board at a regularly called meeting.

2
3 **Section 6.9(g) Terms and Conditions of Lease or License Agreements.**

4 The following terms and condition shall apply to all agreements:

- 5 1. Rents shall be based upon fair market value as determined by the average of two
6 appraisals pursuant to Public Law 31-44. Immediately prior to execution of a prospective
7 lease or license, the applicant shall authorize CLTC to employ one or two certified
8 appraisers to appraise the value of the available real property including any
9 improvements thereon at the applicant's expense. One appraisal may be selected by the
10 CLTC, and the second appraisal by the applicant. All costs for both appraisals shall be
11 borne by the applicant.
- 12 2. Fair market annual rent shall be no less than nine percent (9%) of the original appraisal of
13 fair market value. Rent shall escalate at five (5) year intervals based upon original
14 appraisals of fair market value, but in no event shall rent be lower than the rent charged
15 during the previous five (5) year period.
- 16 3. The latest lease or license agreement executed by CLTC shall be used as the model
17 containing current requirements. All lease and license agreements shall require tenants to
18 have business insurance which indemnifies and holds CLTC harmless; shall have tenants
19 maintain storm water management systems pursuant to generally accepted maintenance
20 standards or as required by applicable laws and government regulations; and shall require
21 the tenant to respond to CLTC requests for information on a timely basis. All lease and
22 license agreements shall require that any improvements made to or upon the real property
23 shall belong in title to the CLTC upon termination or expiration of the lease or license,
24 and that any removal required by the CLTC of improvements or items remaining on the
25 property shall be the responsibility of the tenant at no cost to the CLTC.
- 26 4. All commercial tenants of CLTC shall be required to pay to CLTC a negotiated amount
27 of participation rent which is defined as a percentage of the gross annual income derived
28 from the use of the property.
- 29 5. Unless otherwise approved by the Board, the term of a lease or license shall coincide with

1 financing requirements for initial construction of improvements. Tenants shall be
2 afforded options to extend based upon the demonstrated need for extensions and the
3 extent to which CLTC objectives will be achieved and shall notify CLTC of its intent to
4 exercise its options no later than ninety (90) days prior to the expiration of the lease or
5 license. Tenants shall not be given the right to extend options more than one (1) at a
6 time.

7 6. Payments shall be due monthly. Monthly rents can be paid in advance on a different
8 schedule with prior Board approval. Rental payments that are unpaid greater than ninety
9 (90) days shall be considered in non-compliance.

10 7. Land uses for properties under CLTC jurisdiction shall be utilized in a manner consistent
11 with the zoning category applicable to the property pursuant to the zoning laws of Guam.

12 8. Tenants shall pay all taxes and assessments lawfully levied against the leased premises
13 and against any business conducted thereon or in connection therewith. Tenant shall also
14 pay all charges for utility services furnished or provided to the leased premises.

15 9. Tenants shall pay for those expenses associated with the processing of leases,
16 amendments, assignments, estoppels, consents or other such documents, including, but
17 not limited to, attorneys' fees, appraisal fees, title report fees, survey fees, credit report
18 fees, recording fees, and documentation fees but not including CLTC staff time. Payment
19 of fees shall be made prior to document recordation or pick up.

20 10. Applicants need not possess a Guam business license to submit a proposal but must be
21 licensed to do business in Guam prior to the execution of a lease or license and all tenants
22 must maintain a valid license to do business in Guam during the term of their lease or
23 license.

24 11. All activities on leased or licensed available real property shall be in compliance and
25 maintained in accordance with existing environmental laws.

26 12. Tenants shall be required to prepare within one hundred twenty (120) days after lease or
27 license execution at their own expense, a Phase I Environmental Site Assessment (ESA)
28 of the leased property to serve as a baseline. The complexity of the assessment shall be
29 dependent of the previous use of the property. The Phase I ESA shall be referenced in

1 any lease or license agreement for the property. Prior to the issuance or renewal of any
2 agreement, tenants or prospective tenants must conduct a Phase I ESA of the site at
3 tenant's expense.

4 13. At the end of the lease or license period, or upon termination, tenant shall restore the land
5 to baseline levels established at the start of their lease or license, and shall bear all
6 expenses relating to such restoration.

7 14. Failure to comply with environmental laws may be cause to terminate the agreement.
8

9 **Section 6.9(h) Lease and License Approval.**

10 All fully completed applications meeting the requirements herein and all agreements
11 derived from eligible applications shall be presented to the Board for approval. Upon approval
12 and execution by all parties, three (3) original copies of the agreement shall be prepared, signed
13 by the appropriate parties and recorded with the Department of Land Management.
14 Additionally, there will be two (2) copies of the recorded document. One (1) recorded original is
15 for CLTC; one (1) recorded original for the tenant; one (1) recorded original along with one (1)
16 recorded copy shall remain with the Department of Land Management where the recorded
17 original shall be permanently stored and the recorded copy be made available as public record;
18 and, one (1) recorded copy shall be transmitted to the Department of Revenue and Taxation, Real
19 Property Tax Division. All agreements shall be executed by the CLTC Administrative Director,
20 the Attorney General, and the Governor.
21

22 **Section 6.9(i) Amendments and Modifications.**

23 Except as modified by the sections below, all amendments and modifications to an
24 agreement shall be requested in writing by the tenant. The request shall state the nature of the
25 amendment or modification to the agreement, the consent of any financing institution if the
26 premises were used to secure financing, and the reasons for the request. Upon receipt of the
27 written request from the tenant, CLTC will acknowledge receipt of the request and if necessary
28 provide tenant with a list of additional information required by CLTC to evaluate the request
29 within five (5) working days from the date the request was received. CLTC staff will conduct a

1 review and analysis of the request and provide a recommendation for action by the
2 Administrative Director or the Board as necessary. Financial institutions must be provided with
3 copies of approved amendments and modifications, if estoppel, mortgage or other such
4 agreements require the provision of such documentation.
5

6 **Section 6.9(j) Estoppel and Consents to Mortgage Buildings Only.**

7 Tenant may submit written requests for estoppel certificates, consents to mortgage or
8 similar requests for the purpose of securing financing. At a minimum, tenant must provide the
9 following information: purpose of the financing, a copy of the draft estoppel or consent to
10 mortgage document, a description of the financing arrangement, a copy of the real estate
11 appraisal and other related information. Tenants must be current on all rents to CLTC or must
12 have an approved payment plan prior to CLTC issuing any estoppel certificate, consent to
13 mortgage or other such documents. Estoppel certificates, consents to mortgage or similar
14 agreements for the purpose of securing financing shall not provide financing institutions or
15 tenants with benefits that are greater than or inconsistent with those contained in the lease or
16 license. All financing using the leasehold or licensing interest as collateral shall be used to
17 further the operations of the business located on the leased or licensed premises. The Board
18 delegates approval authority to the Administrative Director to issue estoppel certificates,
19 consents to mortgage or other such documents, applicable to building and infrastructure only.
20

21 **Section 6.9(k) Rent Amendments and Payments Schedules.**

22 Tenants may submit written requests for reductions in rent. Tenants shall submit audited
23 financial statements covering the previous three (3) year period. If audited financial statements
24 are not available, tenants shall provide financial statements attested to by an officer or legal
25 representative of the company. CLTC shall consider the current financial position of the tenant
26 and the prospect for improvements in the tenant's financial position and such other information
27 as may be required in considering tenant's request for rent reductions. Any rent reductions
28 authorized by CLTC shall not exceed one (1) year. Tenants may submit written requests for
29 extensions no later than thirty (30) calendar days prior to the date the rent reduction expires, if

1 financial requirements of the tenant warrant continuing rent reductions. As temporary rent
2 reductions are intended to assist tenants over a short period of time, tenants must agree in writing
3 that such temporary reductions shall in no way affect the schedule and amount of rent escalations
4 for future option terms identified in the lease agreement. Requests for rent reductions shall be
5 subject to Board approval.

6
7 **Section 6.9(l) Payment Plans.**

8 Requests to develop a payment plan for back rent shall be submitted in writing with the
9 reasons for the request. In addition, tenants shall submit a copy of audited financial statements
10 covering the previous three (3) year period. If audited financial statements are not available,
11 tenants shall provide financial statements attested to by an officer or legal representative of the
12 company. Payment plans must include a provision for payment of interest on the unpaid
13 balance. In addition, payment plans must contain the requirement that late fees using the
14 industry standard be paid, in the event the lessee does not make payments as scheduled and if the
15 lessee is not deemed to be in breach of the lease. Financial institutions must be provided with
16 copies of approved payment plans, if estoppel, mortgage or other such agreements require such
17 notification. The Board delegates the authority to approve payment plans to the Administrative
18 Director. To the extent possible, payment plans for outstanding rent must be paid off within the
19 fiscal year to avoid budgetary problems within CLTC.

20
21 **Section 6.9(m) Annual Report.**

22 The Administrative Director shall prepare an annual report for presentation to the Board
23 summarizing the benefits received by CLTC on activities of the Program for the fiscal year. The
24 annual report shall contain findings on employment, payroll, gross receipts taxes paid, local
25 purchases made and total and annual capital investments by tenants and their sub-tenants, if any.
26 The report shall not contain proprietary information of tenants. The report shall also contain a
27 projection of revenues over the next five year time period and a discussion on outstanding issues
28 and recommendations. The report shall be submitted no later than December 31 covering the
29 previous fiscal year ending September 30.

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Section 6.9(n) Monitoring and Compliance

1. **Initial Meeting.** No more than five (5) working days after recordation of the commercial lease or license agreement at the Department of Land Management, the CLTC staff shall meet with the tenant of a newly approved commercial lease or license agreement to ensure understanding of its terms and conditions.
2. **Annual Inspections.** Annual on-site inspections shall be conducted following a standard inspection format to be developed by CLTC staff, to the extent possible given possible differences in agreements. Written notification of the annual inspection shall be sent via mail to the tenant two (2) weeks prior to the inspection date, notifying them of the date, time and issues to be reviewed or discussed during the inspection. Two (2) working days prior to the annual inspection, the tenant shall provide all requested records and documents required by the CLTC including the following: copies of their comprehensive business insurance policy in effect; and any other documents requested by the CLTC to ensure compliance with the terms of the commercial agreement. A concise detailed inspection report shall be submitted to the Administrative Director within fifteen (15) working days from the date of the annual inspection. As soon as possible thereafter, the results of the annual inspection shall be transmitted to the tenant.
3. **Compliance Inspections.** CLTC may inspect facilities and premises to determine the observable condition of the leased premises and any improvements and compliance with conditions of the agreement. A concise detailed inspection report shall be submitted to the Administrative Director within fifteen (15) working days from the date of the compliance inspection. As soon as possible thereafter, the results of the inspection shall be transmitted to the tenant.

Section 6.9(o) Notice of Non-compliance.

When the CLTC has determined that the terms and conditions stipulated in the lease or license agreement have not been met, the CLTC shall take the following action:

1. **First Notice.** Within ten (10) working days after CLTC identifies a non-compliance

1 issue, CLTC shall notify the tenant in writing of the specifics of the non-compliance,
2 giving the tenant the period of time required for cure as specified in the lease or license
3 agreement. Should no cure period be contained in the lease or license, a period of ten
4 (10) working days shall be given for the tenant to respond. CLTC must provide financial
5 institutions with copies of first notices, if estoppel, mortgage or other such agreements
6 require such notification. Should the tenant acknowledge the non-compliance, thirty (30)
7 working days shall be provided to correct the non-compliance issue. Should the tenant
8 respond and contest the non-compliance, the tenant may address the matter with the
9 board of commissioners at its next regularly scheduled meeting. These time periods can
10 be extended by the Administrative Director. Copies of all notices and responses shall be
11 provided to CLTC legal counsel.

- 12 2. **Second Notice.** Should the tenant not respond after ten (10) working days to the first
13 notice, or if the tenant contests the matter but fails to appear before the board of
14 commissioners, or if tenant does not correct non-compliance after thirty (30) working
15 days, CLTC shall issue a second notice and prepare its findings to refer the matter to
16 CLTC legal counsel for default remedies, to include termination of the agreement. CLTC
17 must provide financial institutions with copies of the second notice, if estoppel, mortgage
18 or other such agreements require such notification.

19
20 **Section 6.9(p) Failure to Exercise Option to Extend.**

21 Should tenants fail to exercise options to extend as provided for in the commercial lease or
22 license agreement, CLTC may reinstate the lease or license with the same tenant for the same
23 property under terms that coincide with standard practices of the time including charging rents
24 based upon a current real property appraisal negotiated between CLTC and the tenant. Should
25 CLTC determine that economic circumstances make it possible that other tenants can be found to
26 lease the property, CLTC may terminate the lease or license and re-advertise the property as
27 provided for in these Rules and Regulations.

28
29 **Section 6.9(q) Tenant Notification.**

30 To the maximum extent practicable, tenants will be provided advance notification of any

1 public Board meetings in which any aspect of the tenant's lease or license is an agenda item for
2 Board discussion.

3

4 **Section 6.9(r) Applicability of Rules and Regulations.**

5 All current leases and licenses with provisions that differ from these Rules and Regulations
6 shall be renegotiated to conform to these Rules and Regulations, as opportunities to revise the
7 lease or license arise. In instances where these Rules and Regulations differ from the provisions
8 of leases or licenses that pre-date these Rules and Regulations, the provisions of the pre-existing
9 leases or licenses shall prevail. These rules and regulations shall not apply to utility companies
10 and licenses for lots with villages which are addressed under Section 75107(c). However, the
11 leases and licenses for lots with villages that are addressed in Section 75107(c) are not exempt
12 from compliance to the Rules and Regulation for Clearing and Grading of Land and Construction
13 of Buildings and other Structures on Guam (Pursuant to Section 24200 as Amended, 31014 and
14 31015 of the Government Code of Guam). All leases, licenses, or sale or transfer of CLTC lands
15 are subject to Article 5, Chapter 76, Title 21, Guam Code Annotated, Historical Objects and
16 Sites.

I MINA'TRENTAI TRES NA LIHESLATURAN GUÁHAN
2015 (FIRST) Regular Session

Bill No. 139-33 (COR)

As Amended by the author

Introduced by:

T.C. Ada

AN ACT TO ADOPT RULES AND REGULATIONS TO GOVERN COMMERCIAL LEASES AND LICENSES FOR COMMERCIAL USE OF CHAMORRO LAND TRUST PROPERTIES, TO ADD NEW SUBSECTIONS 14 AND 15 TO SECTION 6.9(g) AND TO AMEND SECTION 6.9(g)(3) AND 6.9(h) AND TO ADD A NEW SUBSECTION (g) TO §75107 OF CHAPTER 75 TITLE 21 GUAM CODE ANNOTATED.,

1 **BE IT ENACTED BY THE PEOPLE OF GUAM:**

2 **Section 1. Findings and Intent.** Section 75107(f) of Chapter 75, Title 21, Guam Code
3 Annotated authorizes the Chamorro Land Trust Commission to make rules and regulations
4 pursuant to the Administrative Adjudication Law to govern commercial leases and licenses for
5 commercial use of Chamorro Land Trust Properties.

6
7 **Section 2. Adoption of Rules and Regulations.** Rules and regulations, attached hereto
8 as Appendix "A", governing the commercial use of Chamorro Land Trust Properties, and as
9 further amended herein, are hereby approved by *I Liheslaturan Guahan*. Section 6.9 of "The
10 Senator Paul Bordallo Rules and Regulations for the Chamorro Land Trust Commission" adopted in
11 Public Law 23-38 is repealed and reenacted by the rules and regulations attached hereto as
12 Appendix "A".

13
14 **Section 3. Amendments.** The following sections of the Commercial Rules and
15 Regulations, as adopted, are hereby amended as follows:

16 (1) A new Subsection 15 under Section 6.9(g), Terms and Conditions of Lease or License
17 Agreements, is added to read as follows:

18 "15. Assignments. Leases shall require that assignments of the leasehold interest,
19 including changes of ownership, can only be effectuated by a tenant with the prior written

1 consent of the Board, which consent shall not unreasonably be withheld. Tenant requests
2 for assignment shall be in writing and shall contain the name, address, and description of
3 the business of the proposed assignee. The proposed assignee shall also comply with the
4 application requirements described in Section 6.9(e). Prospective assignees must agree to
5 accept all terms of the lease being assigned”.
6

7 (2) A new Subsection 16 under Section 6.9(g), Terms and Conditions of Lease or License
8 Agreements, is added to read as follows:

9 “16. Subletting. Leases shall require that subletting or allowing subtenants to sublet
10 the leasehold premises under any form of agreement including use and occupancy
11 permits, shall be allowed only with the prior written consent of CLTC, which consent
12 shall not unreasonably be withheld. Subleases shall be consistent with the intent of the
13 master lease and shall not include sublease of land. Requests for approval of subleases
14 shall be submitted by tenants and shall include at a minimum, the name, address, and
15 description of the business of the proposed subtenant, the proposed subtenant’s most
16 recent financial statement over the past three years and other evidence of financial
17 responsibility, its intended use of the premises, the terms and conditions of the proposed
18 sublease and a description of how the sublease meets or exceeds CLTC objectives. The
19 board shall approve all subleases which will include: (1) subtenant rents which the master
20 lessee will pay to CLTC a negotiated percentage of gross sub-rents; and, (2) participation
21 rent which the subtenant will pay to CLTC a negotiated amount defined as a percentage
22 of the gross annual income derived from the use of the property”.
23

24 (3) Section 6.9(g).3. is amended as follows:

25 The latest lease or license agreement executed by CLTC shall be used as the model
26 containing current requirements. All lease and license agreements shall require
27 tenants and subtenants to have business liability insurance which indemnifies and
28 holds CLTC harmless; shall have tenants maintain storm water management systems
29 pursuant to generally accepted maintenance standards or as required by applicable

1 laws and government regulations; and shall require the tenant to respond to CLTC
2 requests for information on a timely basis. All lease and license agreements shall
3 require that any improvements made to or upon the real property shall belong in title
4 to the CLTC upon termination or expiration of the lease or license, and that any
5 removal required by the CLTC of improvements or items remaining on the property
6 shall be the responsibility of the tenant at no cost to the CLTC.

7
8 (4) Section 6.9(h) is amended as follows:

9 All fully completed applications meeting the requirements herein and all agreements
10 derived from eligible applications shall be presented to the Board for approval. Upon
11 approval and execution by all parties, three (3) original copies of the agreement shall
12 be prepared, signed by the appropriate parties and recorded with the Department of
13 Land Management. Additionally, there will be two (2) copies of the recorded
14 document. One (1) recorded original is for CLTC; one (1) recorded original for the
15 tenant; one (1) recorded original along with one (1) recorded copy shall remain with
16 the Department of Land Management where the recorded original shall be
17 permanently stored and the recorded copy be made available as public record; and,
18 one (1) recorded copy shall be transmitted to the Department of Revenue and
19 Taxation, Real Property Tax Division. All agreements shall be executed by the
20 CLTC Administrative Director, CLTC Chairman, the Attorney General, and the
21 Governor.

22
23 **Section 4.** A new § 75107(g) of Chapter 75, Title 21, Guam Code Annotated is hereby added to
24 read:

25 “(g) Chamorro Land Trust Commission board of commissioners may also permit
26 commercial leases to be subleased or assigned under the following provisions:

27 (1) Commercial sublease. The master lessee of the commercial lease shall be
28 permitted to sublease rooms or space within their established building structure for
29 complementary commercial use. This provision does not permit the subleasing of the

1 leased land. Said commercial sublease shall be allowed only with the prior written
2 consent of CLTC, which consent shall not unreasonably be withheld.

3 (2) Assignment of commercial lease. A commercial lease may be assigned should
4 the ownership of the business holding the lease change and if the use of the original lease
5 does not change. Said assignment of commercial lease shall be allowed only with the
6 prior written consent of CLTC, which consent shall not unreasonably be withheld.”

7
8 **Section 5.** The requirement for an economic impact analysis pursuant to §9301(i) of Title
9 5 Guam Code Annotated Chapter 9 Article 3 is waived.

10
11 **Section 6. Severability.** The Rules and Regulations contained in the Appendix “A”, as
12 amended, and adopted by this Act shall not affect the provisions of the Chamorro Land Trust
13 Act, Chapter 75 of Title 21, Guam Code Annotated. Any provision or application of these Rules
14 and Regulations which conflicts with the Chamorro Land Trust Act or is held invalid shall be
15 null and void. The invalidity of a provision or application shall not affect other provisions or
16 applications of the Rules and Regulations, which can be given effect without the invalid
17 provision, or application, and to this end the provisions of the Rules and Regulations are
18 severable.

1
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3 **APPENDIX “A”**

4 **“Commercial Lease and License Program”**

5
6 The following Section 6.9 is added to the “Senator Paul Bordallo Rules and Regulations
7 for the Chamorro Land Trust Commission” to read:

8
9 **Section 6.9. Commercial Lease and License Program: Purpose.**

10 The purpose of this part is to establish rules and regulations governing the announcement,
11 selection, negotiation, execution, administration, monitoring and modification of commercial
12 leases and licenses for real property owned and/or managed by the Chamorro Land Trust
13 Commission (CLTC). Commercial leases and licenses are intended for the highest and best use
14 of CLTC lands to provide necessary revenue to improve and enhance CLTC residential and
15 agricultural properties. Commercial leases and licenses are limited to CLTC real property made
16 available for this purpose, and that has been registered prior to being made available.

17
18 **Section 6.9(a) Definitions**

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20 lessee/tenant for the commercial use of real property under the management of the CLTC.
21 **2. “Commercial License”** is an agreement between the licensee and the CLTC which
22 permits certain activity to be conducted upon real property under the management of the
23 CLTC, but does not confer upon the licensee any title or leasehold interest, and is
24 terminable upon cessation of the approved activity.
25 **3. “Commercial Use”** means a purpose that furthers the commercial, trade, or profit
26 interests of a Lessee or Licensee. Commercial use includes mineral extraction for
27 commercial purposes but does not include commercial agriculture and aquaculture use
28 which is addressed in Section 6.7 (Livestock and Crops) of The Senator Paul Bordallo
29 Rules and Regulations for the Chamorro Land Trust Commission. The appropriate
30 regulatory clearances will be required for all commercial uses of CLTC lands.

1 4. **“Tenant”** means an applicant who has been approved for either a lease or license, and
2 can also be referred to as a “Lessee” or “Licensee.”

3 5. **“Default Remedies”** are actions the CLTC Board of Commissioners may direct the
4 Administrative Director to take to resolve noncompliance issues which may be actions up
5 to and including termination of the lease or license.

6
7 **Section 6.9(b) Board Authority.**

8 The Board of Commissioners of CLTC (the “Board”) shall be responsible for establishing
9 the policies and direction of the Commercial Lease and License Program (the “Program”). The
10 Administrative Director is directly responsible to the Board for the operation of the Program.

11
12 **Section 6.9(c) Available Property.**

13 Prior to any lease or license of CLTC real property for commercial use, the CLTC shall
14 publish a solicitation in a newspaper of general circulation, or through any methods of electronic
15 publication capable of providing notice to the general public of the opportunity to apply for
16 available real property under the Program. The CLTC may also accept from interested applicants
17 alternative proposals for lease or license of CLTC real property made available under the
18 Program.

19
20 **Section 6.9(d) Eligibility.**

21 Sole proprietorships, partnerships, corporations, limited liability companies, and limited
22 liability partnerships may submit a proposal to lease or license real property owned and/or
23 managed by CLTC. The owner(s) of a sole proprietorship, partnership, or limited partnership
24 must be a resident(s) of Guam. A corporation must be created under the laws of Guam or must
25 be a duly constituted “possession” corporation created under the laws of a state of the United
26 States of America and limited to doing its principal business in Guam. A limited liability
27 company must be created under the laws of Guam. The entity must possess a valid business
28 license prior to executing a lease and must demonstrate that its proposed use of CLTC property
29 will satisfy CLTC’s statutory objective of generating revenues for the programs administered by

1 CLTC or such other objectives as approved by the Board. Eligibility preference shall be granted
2 to an entity whose owner or company officer is a native Chamorro, as defined in 21 GCA,
3 Chapter 75.

4
5 **Section 6.9(e) Application Requirements.**

6 Each applicant is required to provide at a minimum, the following information:

- 7 1. Two (2) copies of the last three (3) most recent annual audited financial statements if
8 available;
- 9 2. A copy of the applicant's current business license and other licenses or permits required
10 by Guam law;
- 11 3. Revenue projections for the first five (5) years of the lease or license, two (2) copies of
12 applicant's corporate or formation documents (articles, bylaws, partnership agreement,
13 etc.);
- 14 4. Two (2) copies of the applicant's preliminary business plan for the use of the property, to
15 include personnel requirements, capital improvements, target market, financing source,
16 and other information deemed pertinent by CLTC;
- 17 5. A corporate resolution authorizing the submission of a proposal to lease or license (if
18 applicant is a corporation);
- 19 6. A qualitative description of its proposed use of the property and a quantitative description
20 of how the proposal will assist CLTC in achieving its objectives;
- 21 7. The applicant shall also complete and sign all required forms, including: a) Authorization
22 to Release Information Form, which will be used to obtain credit information from
23 lenders, trade suppliers, customers, and other similar sources; and, b) an Advanced Costs
24 Form which contains the applicant's agreement to pay recoverable expenses.

25 **Section 6.9(f) Evaluation and Action.**

26 CLTC shall determine whether the applicant has submitted all required information and
27 evaluate proposals based on the extent to which the applicant's proposal meets and exceeds
28 CLTC objectives as stated in the purpose herein. CLTC shall also conduct background checks of
29 the applicant using all possible sources as deemed necessary. Approval or denial of an

1 application shall be made by majority vote of the Board at a regularly called meeting.

2
3 **Section 6.9(g) Terms and Conditions of Lease or License Agreements.**

4 The following terms and condition shall apply to all agreements:

- 5 1. Rents shall be based upon fair market value as determined by the average of two
6 appraisals pursuant to Public Law 31-44. Immediately prior to execution of a prospective
7 lease or license, the applicant shall authorize CLTC to employ one or two certified
8 appraisers to appraise the value of the available real property including any
9 improvements thereon at the applicant's expense. One appraisal may be selected by the
10 CLTC, and the second appraisal by the applicant. All costs for both appraisals shall be
11 borne by the applicant.
- 12 2. Fair market annual rent shall be no less than nine percent (9%) of the original appraisal of
13 fair market value. Rent shall escalate at five (5) year intervals based upon original
14 appraisals of fair market value, but in no event shall rent be lower than the rent charged
15 during the previous five (5) year period.
- 16 3. The latest lease or license agreement executed by CLTC shall be used as the model
17 containing current requirements. All lease and license agreements shall require tenants to
18 have business insurance which indemnifies and holds CLTC harmless; shall have tenants
19 maintain storm water management systems pursuant to generally accepted maintenance
20 standards or as required by applicable laws and government regulations; and shall require
21 the tenant to respond to CLTC requests for information on a timely basis. All lease and
22 license agreements shall require that any improvements made to or upon the real property
23 shall belong in title to the CLTC upon termination or expiration of the lease or license,
24 and that any removal required by the CLTC of improvements or items remaining on the
25 property shall be the responsibility of the tenant at no cost to the CLTC.
- 26 4. All commercial tenants of CLTC shall be required to pay to CLTC a negotiated amount
27 of participation rent which is defined as a percentage of the gross annual income derived
28 from the use of the property.
- 29 5. Unless otherwise approved by the Board, the term of a lease or license shall coincide with

1 financing requirements for initial construction of improvements. Tenants shall be
2 afforded options to extend based upon the demonstrated need for extensions and the
3 extent to which CLTC objectives will be achieved and shall notify CLTC of its intent to
4 exercise its options no later than ninety (90) days prior to the expiration of the lease or
5 license. Tenants shall not be given the right to extend options more than one (1) at a
6 time.

7 6. Payments shall be due monthly. Monthly rents can be paid in advance on a different
8 schedule with prior Board approval. Rental payments that are unpaid greater than ninety
9 (90) days shall be considered in non-compliance.

10 7. Land uses for properties under CLTC jurisdiction shall be utilized in a manner consistent
11 with the zoning category applicable to the property pursuant to the zoning laws of Guam.

12 8. Tenants shall pay all taxes and assessments lawfully levied against the leased premises
13 and against any business conducted thereon or in connection therewith. Tenant shall also
14 pay all charges for utility services furnished or provided to the leased premises.

15 9. Tenants shall pay for those expenses associated with the processing of leases,
16 amendments, assignments, estoppels, consents or other such documents, including, but
17 not limited to, attorneys' fees, appraisal fees, title report fees, survey fees, credit report
18 fees, recording fees, and documentation fees but not including CLTC staff time. Payment
19 of fees shall be made prior to document recordation or pick up.

20 10. Applicants need not possess a Guam business license to submit a proposal but must be
21 licensed to do business in Guam prior to the execution of a lease or license and all tenants
22 must maintain a valid license to do business in Guam during the term of their lease or
23 license.

24 11. All activities on leased or licensed available real property shall be in compliance and
25 maintained in accordance with existing environmental laws.

26 12. Tenants shall be required to prepare within one hundred twenty (120) days after lease or
27 license execution at their own expense, a Phase I Environmental Site Assessment (ESA)
28 of the leased property to serve as a baseline. The complexity of the assessment shall be
29 dependent of the previous use of the property. The Phase I ESA shall be referenced in

1 any lease or license agreement for the property. Prior to the issuance or renewal of any
2 agreement, tenants or prospective tenants must conduct a Phase I ESA of the site at
3 tenant's expense.

4 13. At the end of the lease or license period, or upon termination, tenant shall restore the land
5 to baseline levels established at the start of their lease or license, and shall bear all
6 expenses relating to such restoration.

7 14. Failure to comply with environmental laws may be cause to terminate the agreement.
8

9 **Section 6.9(h) Lease and License Approval.**

10 All fully completed applications meeting the requirements herein and all agreements
11 derived from eligible applications shall be presented to the Board for approval. Upon approval
12 and execution by all parties, three (3) original copies of the agreement shall be prepared, signed
13 by the appropriate parties and recorded with the Department of Land Management.
14 Additionally, there will be two (2) copies of the recorded document. One (1) recorded original is
15 for CLTC; one (1) recorded original for the tenant; one (1) recorded original along with one (1)
16 recorded copy shall remain with the Department of Land Management where the recorded
17 original shall be permanently stored and the recorded copy be made available as public record;
18 and, one (1) recorded copy shall be transmitted to the Department of Revenue and Taxation, Real
19 Property Tax Division. All agreements shall be executed by the CLTC Administrative Director,
20 the Attorney General, and the Governor.
21

22 **Section 6.9(i) Amendments and Modifications.**

23 Except as modified by the sections below, all amendments and modifications to an
24 agreement shall be requested in writing by the tenant. The request shall state the nature of the
25 amendment or modification to the agreement, the consent of any financing institution if the
26 premises were used to secure financing, and the reasons for the request. Upon receipt of the
27 written request from the tenant, CLTC will acknowledge receipt of the request and if necessary
28 provide tenant with a list of additional information required by CLTC to evaluate the request
29 within five (5) working days from the date the request was received. CLTC staff will conduct a

1 review and analysis of the request and provide a recommendation for action by the
2 Administrative Director or the Board as necessary. Financial institutions must be provided with
3 copies of approved amendments and modifications, if estoppel, mortgage or other such
4 agreements require the provision of such documentation.

5
6 **Section 6.9(j) Estoppel and Consents to Mortgage Buildings Only.**

7 Tenant may submit written requests for estoppel certificates, consents to mortgage or
8 similar requests for the purpose of securing financing. At a minimum, tenant must provide the
9 following information: purpose of the financing, a copy of the draft estoppel or consent to
10 mortgage document, a description of the financing arrangement, a copy of the real estate
11 appraisal and other related information. Tenants must be current on all rents to CLTC or must
12 have an approved payment plan prior to CLTC issuing any estoppel certificate, consent to
13 mortgage or other such documents. Estoppel certificates, consents to mortgage or similar
14 agreements for the purpose of securing financing shall not provide financing institutions or
15 tenants with benefits that are greater than or inconsistent with those contained in the lease or
16 license. All financing using the leasehold or licensing interest as collateral shall be used to
17 further the operations of the business located on the leased or licensed premises. The Board
18 delegates approval authority to the Administrative Director to issue estoppel certificates,
19 consents to mortgage or other such documents, applicable to building and infrastructure only.

20
21 **Section 6.9(k) Rent Amendments and Payments Schedules.**

22 Tenants may submit written requests for reductions in rent. Tenants shall submit audited
23 financial statements covering the previous three (3) year period. If audited financial statements
24 are not available, tenants shall provide financial statements attested to by an officer or legal
25 representative of the company. CLTC shall consider the current financial position of the tenant
26 and the prospect for improvements in the tenant's financial position and such other information
27 as may be required in considering tenant's request for rent reductions. Any rent reductions
28 authorized by CLTC shall not exceed one (1) year. Tenants may submit written requests for
29 extensions no later than thirty (30) calendar days prior to the date the rent reduction expires, if

1 financial requirements of the tenant warrant continuing rent reductions. As temporary rent
2 reductions are intended to assist tenants over a short period of time, tenants must agree in writing
3 that such temporary reductions shall in no way affect the schedule and amount of rent escalations
4 for future option terms identified in the lease agreement. Requests for rent reductions shall be
5 subject to Board approval.

6
7 **Section 6.9(l) Payment Plans.**

8 Requests to develop a payment plan for back rent shall be submitted in writing with the
9 reasons for the request. In addition, tenants shall submit a copy of audited financial statements
10 covering the previous three (3) year period. If audited financial statements are not available,
11 tenants shall provide financial statements attested to by an officer or legal representative of the
12 company. Payment plans must include a provision for payment of interest on the unpaid
13 balance. In addition, payment plans must contain the requirement that late fees using the
14 industry standard be paid, in the event the lessee does not make payments as scheduled and if the
15 lessee is not deemed to be in breach of the lease. Financial institutions must be provided with
16 copies of approved payment plans, if estoppel, mortgage or other such agreements require such
17 notification. The Board delegates the authority to approve payment plans to the Administrative
18 Director. To the extent possible, payment plans for outstanding rent must be paid off within the
19 fiscal year to avoid budgetary problems within CLTC.

20
21 **Section 6.9(m) Annual Report.**

22 The Administrative Director shall prepare an annual report for presentation to the Board
23 summarizing the benefits received by CLTC on activities of the Program for the fiscal year. The
24 annual report shall contain findings on employment, payroll, gross receipts taxes paid, local
25 purchases made and total and annual capital investments by tenants and their sub-tenants, if any.
26 The report shall not contain proprietary information of tenants. The report shall also contain a
27 projection of revenues over the next five-year time period and a discussion on outstanding issues
28 and recommendations. The report shall be submitted no later than December 31 covering the
29 previous fiscal year ending September 30.

1
2 **Section 6.9(n) Monitoring and Compliance**

- 3 1. **Initial Meeting.** No more than five (5) working days after recordation of the commercial
4 lease or license agreement at the Department of Land Management, the CLTC staff shall
5 meet with the tenant of a newly approved commercial lease or license agreement to
6 ensure understanding of its terms and conditions.
- 7 2. **Annual Inspections.** Annual on-site inspections shall be conducted following a standard
8 inspection format to be developed by CLTC staff, to the extent possible given possible
9 differences in agreements. Written notification of the annual inspection shall be sent via
10 mail to the tenant two (2) weeks prior to the inspection date, notifying them of the date,
11 time and issues to be reviewed or discussed during the inspection. Two (2) working days
12 prior to the annual inspection, the tenant shall provide all requested records and
13 documents required by the CLTC including the following: copies of their comprehensive
14 business insurance policy in effect; and any other documents requested by the CLTC to
15 ensure compliance with the terms of the commercial agreement. A concise detailed
16 inspection report shall be submitted to the Administrative Director within fifteen (15)
17 working days from the date of the annual inspection. As soon as possible thereafter, the
18 results of the annual inspection shall be transmitted to the tenant.
- 19 3. **Compliance Inspections.** CLTC may inspect facilities and premises to determine the
20 observable condition of the leased premises and any improvements and compliance with
21 conditions of the agreement. A concise detailed inspection report shall be submitted to
22 the Administrative Director within fifteen (15) working days from the date of the
23 compliance inspection. As soon as possible thereafter, the results of the inspection shall
24 be transmitted to the tenant.

25
26 **Section 6.9(o) Notice of Non-compliance.**

27 When the CLTC has determined that the terms and conditions stipulated in the lease or
28 license agreement have not been met, the CLTC shall take the following action:

- 29 1. **First Notice.** Within ten (10) working days after CLTC identifies a non-compliance

1 issue, CLTC shall notify the tenant in writing of the specifics of the non-compliance,
2 giving the tenant the period of time required for cure as specified in the lease or license
3 agreement. Should no cure period be contained in the lease or license, a period of ten
4 (10) working days shall be given for the tenant to respond. CLTC must provide financial
5 institutions with copies of first notices, if estoppel, mortgage or other such agreements
6 require such notification. Should the tenant acknowledge the non-compliance, thirty (30)
7 working days shall be provided to correct the non-compliance issue. Should the tenant
8 respond and contest the non-compliance, the tenant may address the matter with the
9 board of commissioners at its next regularly scheduled meeting. These time periods can
10 be extended by the Administrative Director. Copies of all notices and responses shall be
11 provided to CLTC legal counsel.

- 12 2. **Second Notice.** Should the tenant not respond after ten (10) working days to the first
13 notice, or if the tenant contests the matter but fails to appear before the board of
14 commissioners, or if tenant does not correct non-compliance after thirty (30) working
15 days, CLTC shall issue a second notice and prepare its findings to refer the matter to
16 CLTC legal counsel for default remedies, to include termination of the agreement. CLTC
17 must provide financial institutions with copies of the second notice, if estoppel, mortgage
18 or other such agreements require such notification.

19
20 **Section 6.9(p) Failure to Exercise Option to Extend.**

21 Should tenants fail to exercise options to extend as provided for in the commercial lease or
22 license agreement, CLTC may reinstate the lease or license with the same tenant for the same
23 property under terms that coincide with standard practices of the time including charging rents
24 based upon a current real property appraisal negotiated between CLTC and the tenant. Should
25 CLTC determine that economic circumstances make it possible that other tenants can be found to
26 lease the property, CLTC may terminate the lease or license and re-advertise the property as
27 provided for in these Rules and Regulations.

28
29 **Section 6.9(q) Tenant Notification.**

30 To the maximum extent practicable, tenants will be provided advance notification of any

1 public Board meetings in which any aspect of the tenant’s lease or license is an agenda item for
2 Board discussion.

3

4 **Section 6.9(r) Applicability of Rules and Regulations.**

5 All current leases and licenses with provisions that differ from these Rules and Regulations
6 shall be renegotiated to conform to these Rules and Regulations, as opportunities to revise the
7 lease or license arise. In instances where these Rules and Regulations differ from the provisions
8 of leases or licenses that pre-date these Rules and Regulations, the provisions of the pre-existing
9 leases or licenses shall prevail. These rules and regulations shall not apply to utility companies
10 and licenses for lots with villages which are addressed under Section 75107(c). However, the
11 leases and licenses for lots with villages that are addressed in Section 75107(c) are not exempt
12 from compliance to the Rules and Regulation for Clearing and Grading of Land and Construction
13 of Buildings and other Structures on Guam (Pursuant to Section 24200 as Amended, 31014 and
14 31015 of the Government Code of Guam). All leases, licenses, or sale or transfer of CLTC lands
15 are subject to Article 5, Chapter 76, Title 21, Guam Code Annotated, Historical Objects and
16 Sites.

Committee on Transportation, Infrastructure, Lands, Border Protection, Veterans' Affairs and Procurement

Public Hearing

July 13, 2015

1:00 p.m.

1 Liheslaturan Guåhan, Hagåtña

Bill No. 139-33 (COR) – TC. Ada

AN ACT TO ADOPT RULES AND REGULATIONS TO GOVERN COMMERCIAL LEASES AND LICENSES FOR COMMERCIAL USE OF CHAMORRO LAND TRUST PROPERTIES, TO ADD NEW SUBSECTIONS 14 AND 15 TO SECTION 6.9(g), AND TO ADD A NEW SUBSECTION (g) TO §75107 OF CHAPTER 75 TITLE 21 GUAM CODE ANNOTATED.

NAME (please print)	AGENCY/ ORGANIZATION	ORAL TESTIMONY	WRITTEN TESTIMONY	IN FAVOR	NOT IN FAVOR	CONTACT NUMBER
MICHAEL PEREA	DUM					

Committee on Transportation, Infrastructure, Lands, Border Protection, Veterans' Affairs and Procurement

Public Hearing

July 13, 2015

1:00 p.m.

/ Liheslauran Guåhan, Hagåtña

Bill No. 139-33 (COR) – TC. Ada

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NAME (please print)	AGENCY/ ORGANIZATION	ORAL TESTIMONY	WRITTEN TESTIMONY	IN FAVOR	NOT IN FAVOR	CONTACT NUMBER
doe GARRIDO	self	✓		✓	✓	686-9075

Committee on Transportation, Infrastructure, Lands, Border Protection, Veterans' Affairs and Procurement

Public Hearing

July 13, 2015

1:00 p.m.

I Liheslaturan Guåhan, Hagåtña

Bill No. 139-33 (COR) – TC. Ada

AN ACT TO ADOPT RULES AND REGULATIONS TO GOVERN COMMERCIAL LEASES AND LICENSES FOR COMMERCIAL USE OF CHAMORRO LAND TRUST PROPERTIES, TO ADD NEW SUBSECTIONS 14 AND 15 TO SECTION 6.9(g), AND TO ADD A NEW SUBSECTION (g) TO §75107 OF CHAPTER 75 TITLE 21 GUAM CODE ANNOTATED.

NAME (please print)	AGENCY/ ORGANIZATION	ORAL TESTIMONY	WRITTEN TESTIMONY	IN FAVOR	NOT IN FAVOR	CONTACT NUMBER
PASCUAL CABLAN	CLTC	✓		✓		



DIPĀTTAMENTON MINANEHAN TĀNO'
 (Department of Land Management)
GUBETNAMENTON GUĀHAN
 (Government of Guam)



Street Address:
 590 S. Marine Corps Drive
 Suite 733 ITC Building
 Tamuning, GU 96913

EDDIE BAZA CALVO
 Governor

RAY TENORIO
 Lieutenant Governor

MICHAEL J.B. BORJA
 Director

DAVID V. CAMACHO
 Deputy Director

July 10, 2015

Senator Thomas C. Ada
 33rd Guam Legislature
 Chairman, Committee on Transportation,
 Infrastructure, Lands, Border Protection,
 Veteran's Affairs and Procurement
 173 Aspinall Ave, Ste 207
 Hagatna, Guam 96910

RECEIVED by the
 Office of Senator
 Thomas C. Ada

[Signature] 7/10/15

SUBJECT: Testimony on Bill No. 139-33 (COR) – AN ACT TO ADOPT RULES AND REGULATIONS TO GOVERN COMMERCIAL LEASES AND LICENSES FOR COMMERCIAL USE OF CHAMORRO LAND TRUST PROPERTIES, TO ADD NEW SUBSECTIONS 14 AND 15 TO SECTION 6.9(g), AND TO ADD A NEW SUBSECTION (g) TO §75107 OF CHAPTER 75 TITLE 21 GUAM CODE ANNOTATED.

Buenas yan Hafa Adai!

The Chamorro Land Trust Commission's (CLTC) Rules and Regulations for Commercial Use transmitted to the Legislature on June 3, 2015, had been a major undertaking for the last three years. The rules underwent its mandatory review process, in accordance with the Administrative Adjudication Law, beginning with its public hearing on November 20, 2014, where both oral and written testimony were received and I am proud to say that they were very favorable. Suggestions from the testimonies were implemented and the CLTC board of commissioners approved the final product on January 6, 2015. The document was immediately submitted to the Attorney General for review. After an intensive review, it was approved on May 8, 2015 and forwarded to the Governor of Guam for transmittal to the Legislature.

Today we meet to embark the formal process for legislative approval of rules that should have been created and adopted decades ago. These rules are necessary for the CLTC to engage in commercial activity of its lands for the purpose of creating revenue that would be used to enhance lands intended for residential and agricultural use. Our most pressing need is to install the basic forms of infrastructure on these lands, such as water and electricity, to enable the full realization of the land.

I must also assure our supporters and land-rights friends that the CLTC does not intend to arbitrarily convert land for commercial use for the sole pleasure of increasing our treasury. On the contrary, we intend to judiciously select properties for commercial use that most obviously fits in that category. These would include lands that are on major roadways and

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 671-649-LAND (5263)

Facsimile:
 671-649-5383



those that would not be suitable for residential or agricultural use due to its proximity to lands already zoned Commercial or Industrial.

These rules would also allow the CLTC to engage in development of residential subdivisions where we could partner with developers and contractors of all sizes to assist in the creation of neighborhoods with affordable homes for eligible applicants. We envision communities to be constructed with the full entrée of infrastructure, such as road, sewer, water, electricity, and telecommunications. These rules will help the CLTC move to a new level where the leasing of raw land at the enormous cost of installing water and power would not have to fall on the residential or agricultural lessee but be funded through revenue from commercial leases.

As our island grows, so must we. However, we need to be prudent with the use of our land and to ensure it is sustainable and that we assure land will still be available for generations to come. The Trust we have been entrusted with is a serious responsibility and the CLTC, along with the board of commissioners, stand ready to protect it from misuse. With regular financial audits now underway and a three of them completed in just the last year, our tasking must uphold our objectives. The scrutiny of our commercial activities will be an integral part of these audits and we have been ramping up our financial controls over the last year to uphold this responsibility.

On this note, we must also state that increased revenue from commercial leases would assist the CLTC to add more personnel to perform duties such as property management, compliance, and enforcement of all our properties. The CLTC manages a significant portion of this government's land with asset values in the hundreds of millions of dollars which plays a significant role in our government's financials. Additionally, the controls over our lands have been insufficient and as a result misuse and neglect is not unusual. These rules will provide the CLTC with the revenue it will need to undertake these necessary responsibilities to safeguard all our lands and managed them to the highest standards.

I, and the CLTC board of commissioners, strongly recommend the Legislature pass Bill No. 139-33 to allow the Chamorro Land Trust Commission to fulfill its mandates that our leaders from generations past had envisioned. I thank you for the opportunity to testify on this very important legislation.

Senseramente,


MICHAEL J. B. BORJA



COMMITTEE ON RULES

I Mina'trentai Tres na Liheslaturan Guåhan • The 33rd Guam Legislature

155 Hesler Place, Hagåtña, Guam 96910 • www.guamlegislature.com

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Senator
Rory J. Respicio
CHAIRPERSON
MAJORITY LEADER

Senator
Thomas C. Ada
VICE CHAIRPERSON
ASSISTANT MAJORITY LEADER

Speaker
Judith T.P. Won Pat, Ed.D.
Member

Vice-Speaker
Benjamin J.F. Cruz
Member

Legislative Secretary
Tina Rose Muna Barnes
Member

Senator
Dennis G. Rodriguez, Jr.
Member

Senator
Frank Blas Aguon, Jr.
Member

Senator
Michael F.O. San Nicolas
Member

Senator
Nerissa Bretania Underwood
Member

V. Anthony Ada
MINORITY LEADER

Mary C. Torres
MINORITY MEMBER

July 14, 2015

Memorandum

To: Rennae Meno
Clerk of the Legislature

From: Senator Rory J. Respicio
Majority Leader & Rules Chair

Subject: Fiscal Notes and Fiscal Note Waivers

Hafa Adai!

Attached please find the fiscal notes and fiscal note waivers for the bill numbers listed below. Please note that the fiscal notes and fiscal note waivers are issued on the bills as introduced.

FISCAL NOTES:

Bill No. 134-33(COR)

Bill No. 139-33(COR)

FISCAL NOTE WAIVERS:

Bill No. 133-33(COR)

Bill No. 137-33(COR)

Bill No. 138-33(COR)

Bill No. 140-33(COR)

Please forward the same to MIS for posting on our website. Please contact our office should you have any questions regarding this matter.

Si Yu'os ma'åse'!

2015 JUL 14 AM 9:47
[Handwritten mark]

Bureau of Budget & Management Research
Fiscal Note of Bill No. 139-33 (COR)

AN ACT TO ADOPT RULES AND REGULATIONS TO GOVERN COMMERCIAL LEASES AND LICENSES FOR COMMERCIAL USE OF CHAMORRO LAND TRUST PROPERTIES, TO ADD NEW SUBSECTIONS 14 AND 15 TO SUCTION 6.9(g), AND TO ADD A NEW SUBSECTION (g) TO §75107 OF CHAPTER 75 TITLE 21 GUAM CODE ANNOTATED.

Department/Agency Appropriation Information	
Dept./Agency Affected: Chamorro Land Trust Commission	Dept./Agency Head: Michael Borja, Director
Department's General Fund (GF) appropriation(s) to date:	-
Department's Other Fund (Specify) appropriation(s) to date: Chamorro Land Trust Operations Fund	1,006,799
Total Department/Agency Appropriation(s) to date:	\$1,006,799

Fund Source Information of Proposed Appropriation			
	General Fund:	(Specify Special Fund):	Total:
FY 2014 Unreserved Fund Balance		\$0	\$0
FY 2015 Adopted Revenues	\$0	\$0	\$0
FY 2015 Appro. (P.L. 32-181 thru 33-07)	\$0	\$0	\$0
Sub-total:	\$0	\$0	\$0
Less appropriation in Bill	\$0	\$0	\$0
Total:	\$0	\$0	\$0

Estimated Fiscal Impact of Bill						
	One Full Fiscal Year	For Remainder of FY 2015 (if applicable)	FY 2016	FY 2017	FY 2018	FY 2019
General Fund	\$0	\$0	\$0	\$0	\$0	\$0
(Specify Special Fund)	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0	\$0

- Does the bill contain "revenue generating" provisions? / / Yes / X / No
 If Yes, see attachment
- Is amount appropriated adequate to fund the intent of the appropriation? / X / N/A / / Yes / / No
 If no, what is the additional amount required? \$ _____ / X / N/A
- Does the Bill establish a new program/agency? / / Yes / X / No
 If yes, will the program duplicate existing programs/agencies? / X / N/A / / Yes / / No
 Is there a federal mandate to establish the program/agency? / / Yes / X / No
- Will the enactment of this Bill require new physical facilities? / / Yes / X / No
- Was Fiscal Note coordinated with the affected dept/agency? If no, indicate reason: / / Yes / X / No
 / X / Requested agency comments not received by due date / X / Other: Time Constraints

Analyst: <u>Jason Baza</u>	Date: <u>7/13/15</u>	Director: <u>Michael Borja</u>	Date: <u>JUL 13 2015</u>
Jason Baza, BMA I		Michael S. Calvo, Director	

Notes:
 See attached comments.

BUREAU OF BUDGET AND MANAGEMENT RESEARCH
COMMENTS ON BILL NO. 139-33 (COR)

The intent of the proposed legislation is to adopt rules and regulations to govern commercial leases and licenses for commercial use of Chamorro Land Trust properties, to add new subsections 14 and 15 to Section 6.9(g), and to add a new subsections (g) to §75107 of Chapter 75, Title 21 Guam Code Annotated.

The proposed legislation is seeking to repeal and reenact the rules and regulations adopted in P.L. 23-38 known as "The Senator Paul Bordallo Rules and Regulations for the Chamorro Land Trust Commission". In the rules and regulations adopted in P.L. 23-38, subsection 6.9 regarding commercial leases was not sufficiently addressed and states that "no commercial leases shall be entered into by the Chamorro Land Trust Commission until Rules and Regulations covering the same have been adopted pursuant to the Administrative Adjudication Law".

Almost all the sections of the proposed Rules and Regulations for Commercial Leases are administrative in nature. The Section of the Rules and Regulations that includes revenue generating provisions that can be received by the Chamorro Land Trust Commission is outlined in Section 6.9(g) under the Terms and Conditions of Lease or License Agreements. This section identifies rent expenses for commercial leases shall be based upon fair market value as determined by the average of two appraisals pursuant to P.L. 31-44. Subsequently, the fair market annual rent shall be no less than nine percent (9%) of the original appraisal of fair market value and shall escalate at five (5) year intervals based upon original appraisals of fair market value.

The adoption of the Rules and Regulation for commercial leases of Chamorro Land Trust properties would result in additional revenues to be received by the Chamorro Land Trust Commission. However, because appraisal information of properties identified to enter into commercial leases has not been received by the Bureau, the Bureau is unable to determine an estimated amount of revenues to be received by the Chamorro Land Trust Commission.



COMMITTEE ON RULES

I Mina'trentai Tres na Liheslaturan Guåhan • The 33rd Guam Legislature

155 Hesler Place, Hagåtña, Guam 96910 • www.guamlegislature.com

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Rory J. Respicio
CHAIRPERSON
MAJORITY LEADER

Senator
Thomas C. Ada
VICE CHAIRPERSON
ASSISTANT MAJORITY LEADER

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Judith T.P. Won Pat, Ed.D.
Member

Vice-Speaker
Benjamin J.F. Cruz
Member

Legislative Secretary
Tina Rose Muna Barnes
Member

Senator
Dennis G. Rodriguez, Jr.
Member

Senator
Frank Blas Aguon, Jr.
Member

Senator
Michael F.Q. San Nicolas
Member

Senator
Nerissa Bretania Underwood
Member

V. Anthony Ada
MINORITY LEADER

Mary C. Torres
MINORITY MEMBER

July 7, 2015

VIA E-MAIL

joey.calvo@bbmr.guam.gov

Jose S. Calvo
Director
Bureau of Budget & Management Research
P.O. Box 2950
Hagåtña, Guam 96910

RE: Request for Fiscal Notes – Bill Nos. 137-33(COR) through 142-33(COR)

Hafa Adai Mr. Calvo:

Transmitted herewith is a listing of *I Mina'trentai Tres Na Liheslaturan Guåhan's* most recently introduced bills. Pursuant to 2 GCA §9103, I respectfully request the preparation of fiscal notes for the referenced bills.

Si Yu'os ma'åse' for your attention to this matter.

Very Truly Yours,

Senator Thomas C. Ada

Acting Chairperson of the Committee on Rules

Attachment (1)

Cc: Clerk of the Legislature

Bill Nos.	Sponsor	Title
137-33 (COR)	T. C. Ada	AN ACT TO AMEND THE LAND TRANSFER FOR GEORGE TOVES AS AUTHORIZED BY P.L. 28-68 TO BE AREA FOR AREA NOT TO INCLUDE LAND USED BY A MILITARY UTILITY EASEMENT.
138-33 (COR)	T. C. Ada	AN ACT TO AMEND TITLE 21 GUAM CODE ANNOTATED, CHAPTER 61, SECTION 61217, FEDERAL EXCESS LAND ZONING TO PROVIDE CLARITY AND MAINTAIN UNIFORMITY ON ALL ZONE CHANGE PROCESSES.
139-33 (COR)	T. C. Ada	AN ACT TO ADOPT RULES AND REGULATIONS TO GOVERN COMMERCIAL LEASES AND LICENSES FOR COMMERCIAL USE OF CHAMORRO LAND TRUST PROPERTIES, TO ADD NEW SUBSECTIONS 14 AND 15 TO SECTION 6.9(g), AND TO ADD A NEW SUBSECTION (g) TO §75107 OF CHAPTER 75 TITLE 21 GUAM CODE ANNOTATED.
140-33 (COR)	T. C. Ada	AN ACT TO AMEND §60112 OF CHAPTER 60, TITLE 21, GUAM CODE ANNOTATED RELATIVE TO LEGISLATIVE APPROVAL FOR AGRICULTURAL LAND USE.
141-33 (COR)	B. J.F. Cruz	AN ACT TO <i>AMEND</i> ITEM (I) OF § 6101 OF ARTICLE 1, § 6302 OF ARTICLE 3, AND SECTIONS UNDER ARTICLE 4, ALL OF CHAPTER 6, TITLE 11, GUAM CODE ANNOTATED; RELATIVE TO CLARIFYING THE DEFINITION OF ELECTRONIC CIGARETTES, RAISING THE MINIMUM AGE OF LEGAL ACCESS TO TOBACCO PRODUCTS AND ELECTRONIC CIGARETTES TO TWENTY-ONE (21) YEARS, AND CITING THIS ACT AS "YOUTH PROTECTION ACT OF 2015".
142-33 (COR)	Dennis G. Rodriguez, Jr.	AN ACT TO AUTHORIZE THE DEPARTMENT OF ADMINISTRATION TO ASSESS AN ACCOUNT MANAGEMENT FEE TO ALL SPECIAL FUNDS ESTABLISHED SEPARATE AND APART FROM THE GENERAL FUND BY ADDING A NEW ARTICLE 7 TO CHAPTER 20 OF DIVISION 2, TITLE 5, GUAM CODE ANNOTATED.



COMMITTEE ON RULES

I Mina'trentai Tres na Liheslaturan Guåhan • The 33rd Guam Legislature

155 Hesler Place, Hagåtña, Guam 96910 • www.guamlegislature.com

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Senator

Rory J. Respicio
CHAIRPERSON
MAJORITY LEADER

July 2, 2015

Senator

Thomas C. Ada
VICE CHAIRPERSON
ASSISTANT MAJORITY LEADER


MEMORANDUM

To: **Rennae Meno**
Clerk of the Legislature

Attorney Therese M. Terlaje
Legislative Legal Counsel

Speaker
Judith T.P. Won Pat, Ed.D.
Member

Vice-Speaker
Benjamin J.F. Cruz
Member

From: **Senator Thomas C. Ada** 
Acting Chairperson of the Committee on Rules

Legislative Secretary
Tina Rose Muna Barnes
Member

Subject: **Referral of Bill No. 139-33(COR)**

Senator
Dennis G. Rodriguez, Jr.
Member

As the Acting Chairperson of the Committee on Rules, I am forwarding my referral of **Bill No. 139-33(COR)**.

Senator
Frank Blas Aguon, Jr.
Member

Please ensure that the subject bill is referred, in my name, to the respective committee, as shown on the attachment. I also request that the same be forwarded to all members of *I Mina'trentai Tres Na Liheslaturan Guåhan*.

Senator
Michael F.Q. San Nicolas
Member

Should you have any questions, please feel free to contact our office at 472-7679.

Senator
Nerissa Bretania Underwood
Member

Si Yu'os Ma'åse!

V. Anthony Ada
MINORITY LEADER

Attachment

Mary C. Torres
MINORITY MEMBER

I Mina'Trentai Tres Na Liheslaturan Received
Bill Log Sheet

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	FISCAL NOTES
139-33 (COR)	T. C. Ada	AN ACT TO ADOPT RULES AND REGULATIONS TO GOVERN COMMERCIAL LEASES AND LICENSES FOR COMMERCIAL USE OF CHAMORRO LAND TRUST PROPERTIES, TO ADD NEW SUBSECTIONS 14 AND 15 TO SECTION 6.9(g), AND TO ADD A NEW SUBSECTION (g) TO §75107 OF CHAPTER 75 TITLE 21 GUAM CODE ANNOTATED.,.	07/02/15 10:39 a.m.	07/02/15	Committee on Transportation, Infrastructure, Lands, Border Protection, Veterans' Affairs and Procurement			



Senator Tom Ada

Peter Tran <peter@senatorada.org>

1st Notice of Public Hearing: July 13, 2015 at 1:00pm

Charlene Flores <flores@senatorada.org>

Mon, Jul 6, 2015 at 10:31 AM

To: Media <media@senatorada.org>, phnotice@guamlegislature.org, phmaterials@guamlegislature.org, teresa.topasna@land.guam.gov, michael.borja@land.guam.gov, dlmdir@land.guam.gov, chuck.ada@guamairport.net, euntalan@guamairport.net, "Maria D. Sablan" <msablan@guamairport.net>, fpfejeran@guam.net, "Lucy M. Alcorn" <lucymalcorn@gmail.com>, Martin Gerber <martinjgerber@gmail.com>, David Leddy <dleddy@guamchamber.com.gu>, eo@guamrealtors.com, help@investguam.com, ed@guamwcc.com, jvy@cccguam.org

July 6, 2015

MEMORANDUM

To: All Senators, Media, and Stakeholders

Fr: Senator Thomas C. Ada, *Chairperson*

Subject: **1st Notice of Public Hearing: July 13, 2015 at 1:00pm**

Please be advised that the Committee on Transportation, Infrastructure, Lands, Border Protection, Veterans' Affair, and Procurement will be conducting a public hearing on **Wednesday, July 13, 2015 at 1:00 p.m.** This meeting will take place in the public hearing room of *I Liheslaturan Guahan*. The agenda is as follows:

1:00 – 2:00 pm

The Executive Appointment of **Ms. Lucy Alcorn** to serve as a member of the A.B. Won Pat International Airport Authority Board of Directors.

The Executive Appointment of **Mr. Martin Gerber** to serve as a member of the A.B. Won Pat International Airport Authority Board of Directors.

2:00 – 5:00 pm

Bill No. 139-33 (COR) – T.C. Ada

AN ACT TO ADOPT RULES AND REGULATIONS TO GOVERN COMMERCIAL LEASES AND LICENSES FOR COMMERCIAL USE OF CHAMORRO LAND TRUST PROPERTIES, TO ADD NEW SUBSECTIONS 14 AND 15 TO SECTION 6.9(g), AND TO ADD A NEW SUBSECTION (g) TO §75107

OF CHAPTER 75 TITLE 21 GUAM CODE ANNOTATED.

-

Bill No. 140-33 (COR) – T.C. Ada

AN ACT TO AMEND §60112 OF CHAPTER 60, TITLE 21, GUAM CODE ANNOTATED RELATIVE TO LEGISLATIVE APPROVAL FOR AGRICULTURAL LAND USE.

-

Bill No. 138-33 (COR) – T.C. Ada

AN ACT TO AMEND TITLE 21 GUAM CODE ANNOTATED, CHAPTER 61, SECTION 61217, FEDERAL EXCESS LAND ZONING TO PROVIDE CLARITY AND MAINTAIN UNIFORMITY ON ALL ZONE CHANGE PROCESSES.

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Bill No. 137-33 (COR) – T.C. Ada

AN ACT TO AMEND THE LAND TRANSFER FOR GEORGE TOVES AS AUTHORIZED BY P.L. 28-68 TO BE AREA FOR AREA NOT TO INCLUDE LAND USED BY A MILITARY UTILITY EASEMENT.

Testimony on the **Executive Appointments of Ms. Lucy Alcorn and Mr. Martin Gerber, Bill No. 139-33 (COR), Bill No. 140-33 (COR), Bill No. 138-33 (COR), and Bill No. 137-33 (COR)** should be addressed to Senator Thomas C. Ada, Chairperson, and will be accepted via hand delivery to our office, our mailbox at the Main Legislature Building at 155 Hesler Place, Hagåtña, Guam 96932, via email to flores@senatorada.org, or via facsimile to (671) 473-3303 until **Wednesday, July 20, 2015 at 5:00pm**. Individuals requiring special accommodations, auxiliary aids, or services should submit their request to Charlene Flores at 473-3301. Please feel free to contact my office should you have any questions or concerns.

--

Charlene Flores
Policy Analyst
Office of Senator Thomas C. Ada
I Mina'trentai Tres na Libeslaturan Guåhan - 33rd Guam Legislature
671-473-3301

 **1st PH Notice.pdf**
553K



Senator Tom Ada

Peter Tran <peter@senatorada.org>

2nd Notice of Public Hearing: July 13, 2015 at 1:00pm

Charlene Flores <flores@senatorada.org>

Thu, Jul 9, 2015 at 8:46 AM

To: Media <media@senatorada.org>, phnotice@guamlegislature.org, phmaterials@guamlegislature.org, teresa.topasna@land.guam.gov, michael.borja@land.guam.gov, dlmdir@land.guam.gov, chuck.ada@guamairport.net, euntalan@guamairport.net, "Maria D. Sablan" <msablan@guamairport.net>, "Lucy M. Alcorn" <lucymalcorn@gmail.com>, Martin Gerber <martinjgerber@gmail.com>, fpfejeran@guam.net, David Leddy <dleddy@guamchamber.com.gu>, ed@guamwcc.com, jvy@cccguam.org, eo@guamrealtors.com, help@investguam.com

July 9, 2015

MEMORANDUM

To: All Senators, Media, and Stakeholders

Fr: Senator Thomas C. Ada, *Chairperson*Subject: **2nd Notice of Public Hearing: July 13, 2015 at 1:00pm**

Please be advised that the Committee on Transportation, Infrastructure, Lands, Border Protection, Veterans' Affair, and Procurement will be conducting a public hearing on **Monday, July 13, 2015 at 1:00 p.m.** This meeting will take place in the public hearing room of *I Liheslaturan Guahan*. The agenda is as follows:

1:00 – 2:00 pm

The Executive Appointment of **Ms. Lucy Alcorn** to serve as a member of the A.B. Won Pat International Airport Authority Board of Directors.

The Executive Appointment of **Mr. Martin Gerber** to serve as a member of the A.B. Won Pat International Airport Authority Board of Directors.

2:00 – 5:00 pm

Bill No. 139-33 (COR) – T.C. Ada

AN ACT TO ADOPT RULES AND REGULATIONS TO GOVERN COMMERCIAL LEASES AND LICENSES FOR COMMERCIAL USE OF CHAMORRO LAND TRUST PROPERTIES, TO ADD NEW SUBSECTIONS 14 AND 15 TO SECTION 6.9(g), AND TO ADD A NEW SUBSECTION (g) TO §75107 OF CHAPTER 75 TITLE 21 GUAM CODE ANNOTATED.

-

Bill No. 140-33 COR) – T.C. Ada

AN ACT TO AMEND §60112 OF CHAPTER 60, TITLE 21, GUAM CODE ANNOTATED RELATIVE TO LEGISLATIVE APPROVAL FOR AGRICULTURAL LAND USE.

-

Bill No. 138-33 (COR) – T.C. Ada

AN ACT TO AMEND TITLE 21 GUAM CODE ANNOTATED, CHAPTER 61, SECTION 61217, FEDERAL EXCESS LAND ZONING TO PROVIDE CLARITY AND MAINTAIN UNIFORMITY ON ALL ZONE CHANGE PROCESSES.

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Bill No. 137-33 (COR) – T.C. Ada

AN ACT TO AMEND THE LAND TRANSFER FOR GEORGE TOVES AS AUTHORIZED BY P.L. 28-68 TO BE AREA FOR AREA NOT TO INCLUDE LAND USED BY A MILITARY UTILITY EASEMENT.

Testimony on the **Executive Appointments of Ms. Lucy Alcorn and Mr. Martin Gerber, Bill No. 139-33 (COR), Bill No. 140-33 (COR), Bill No. 138-33 (COR), and Bill No. 137-33 (COR)** should be addressed to Senator Thomas C. Ada, Chairperson, and will be accepted via hand delivery to our office, our mailbox at the Main Legislature Building at 155 Hesler Place, Hagåtña, Guam 96932, via email to flores@senatorada.org, or via facsimile to (671) 473-3303 until **Monday, July 20, 2015 at 5:00pm**. Individuals requiring special accommodations, auxiliary aids, or services should submit their request to Charlene Flores at 473-3301. Please feel free to contact my office should you have any questions or concerns.

--

Charlene Flores
Policy Analyst
Office of Senator Thomas C. Ada
I Mina'trentai Tres na Libeslaturan Guåhan - 33rd Guam Legislature
671-473-3301

 **2nd PH Notice.pdf**
557K

Listserv: phnotice@guamlegislature.org

Updated as of July 7, 2015

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Updated as of July 7, 2015

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Sen. Thomas Ada

Chairman

Committee on Transportation, Infrastructure, Lands,
Border Protection, Veterans' Affairs and Procurement
I Mina Trentai Tres Na Liheslaturan Guåhan • 33rd Guam Legislature

AGENDA

PUBLIC HEARING

Monday, July 13, 2015

Public Hearing Room, *I Liheslaturan Guåhan*

The agenda is as follows:

1:00 – 2:00 pm

The Executive Appointment of **Ms. Lucy Alcorn** to serve as a member of the A.B. Won Pat International Airport Authority Board of Directors.

The Executive Appointment of **Mr. Martin Gerber** to serve as a member of the A.B. Won Pat International Airport Authority Board of Directors.

2:00 – 5:00 pm

Bill No. 139-33 (COR) – T.C. Ada

AN ACT TO ADOPT RULES AND REGULATIONS TO GOVERN COMMERCIAL LEASES AND LICENSES FOR COMMERCIAL USE OF CHAMORRO LAND TRUST PROPERTIES, TO ADD NEW SUBSECTIONS 14 AND 15 TO SECTION 6.9(g), AND TO ADD A NEW SUBSECTION (g) TO §75107 OF CHAPTER 75 TITLE 21 GUAM CODE ANNOTATED.

Bill No. 140-33 COR) – T.C. Ada

AN ACT TO AMEND §60112 OF CHAPTER 60, TITLE 21, GUAM CODE ANNOTATED RELATIVE TO LEGISLATIVE APPROVAL FOR AGRICULTURAL LAND USE.

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AN ACT TO AMEND TITLE 21 GUAM CODE ANNOTATED, CHAPTER 61, SECTION 61217, FEDERAL EXCESS LAND ZONING TO PROVIDE CLARITY AND MAINTAIN UNIFORMITY ON ALL ZONE CHANGE PROCESSES.

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AN ACT TO AMEND THE LAND TRANSFER FOR GEORGE TOVES AS AUTHORIZED BY P.L. 28-68 TO BE AREA FOR AREA NOT TO INCLUDE LAND USED BY A MILITARY UTILITY EASEMENT.

Testimony on the **Executive Appointments of Ms. Lucy Alcorn and Mr. Martin Gerber, Bill No. 139-33 (COR), Bill No. 140-33 (COR), Bill No. 138-33 (COR), and Bill No. 137-33 (COR)** should be addressed to Senator Thomas C. Ada, Chairperson, and will be accepted via hand delivery to our office, our mailbox at the Main Legislature Building at 155 Hesler Place, Hagåtña, Guam 96932, via email to flores@senatorada.org, or via facsimile to (671) 473-3303 until **Monday, July 20, 2015 at 5:00pm**. Individuals requiring special accommodations, auxiliary aids, or services should submit their request to Charlene Flores at 473-3301. Please feel free to contact my office should you have any questions or concerns.



Sen. Thomas Ada

Chairman

Committee on Transportation, Infrastructure, Lands,
Border Protection, Veterans' Affairs and Procurement
I Mina Trentai Tres Na Libeslaturan Guåban • 33rd Guam Legislature

PRESS RELEASE

Contact: Joseph Borja
Phone: 473-3301
Email: jborja@senatorada.org

FOR IMMEDIATE RELEASE

“Senator Tom Ada Wants Rules and Regs Adopted For Commercial Leasing of Chamorro Land Trust Properties”

Hagåtña, Guam: On Thursday, July 2, 2015, Senator Tom Ada introduced Bill 139-33 which seeks to adopt Rules and Regulations that will govern commercial leases and licenses for Chamorro Land Trust properties. Senator Ada said that introduction of Bill 139-33 is significant because *“it will remove the current restriction that prohibits the Chamorro Land Trust Commission (CLTC) from issuing any commercial leases until rules and regulations governing commercial leases and licenses for Chamorro Land Trust Properties have been approved.”*

Senator Ada stated that, *“by leasing available Chamorro Land Trust properties designated for commercial activities, the Commission will generate revenues that can be used to fund the development of Chamorro Land Trust properties”*. Revenues received will enable the CLTC to survey and register Land Trust properties, and to develop the utilities infrastructure to its residential and agricultural lands.” Bill 139-33 will also allow for the subletting, subleasing and the assignment of commercial leases.

A copy of Bill 139-33 is attached or may be downloaded from the Office of Senator Tom Ada’s website (www.senatorada.org) and the Guam Legislature’s website (www.guamlegislature.com). For more information, please contact Senator Tom Ada’s office at 473-3301.

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