



33-16-1799

Office of the Speaker

Edith T. Won Pat, Ed.D

GUAM HOUSING CORPORATION ("GHC")

Resolution No.05-2016

Regular meeting of the Board of Directors

June 16, 2016

15 July 2016

Time: 12:05 - 5:05

Received By: [Signature]

Amended Resolution Approving the Adoption of Rules and Regulations of the Housing Trust Fund Act to the Guam Code Annotated

WHEREAS, I Liheslaturan Guahan established, under Public Law 31-166, "The Housing Trust Fund Act", which recognized the need to support the accessibility and affordability of housing for the residents of Guam, and to assist by providing financial support for low to moderate income households in order to achieve their dream of obtaining affordable housing; and,

WHEREAS, Guam Housing Corporation (the "Corporation") recognizes that among the primary concerns relating to the accessibility and affordability of housing on Guam is the issue of obtaining lending capital for affordable housing, of which is generally too expensive or unavailable; and,

WHEREAS, under this Act, I Liheslaturan Guahan determined that the Housing Trust Fund shall be administered by Guam Housing Corporation wherein the funds contained under this Trust shall be used to assist qualified recipients in obtaining affordable housing as provided under this Act; and,

WHEREAS, it is necessary to adopt rules, regulations, and procedures governing the administration of affordable housing to qualified recipients under the Housing Trust Fund Act;

NOW THEREFORE BE IT RESOLVED, that the following proposed amended legislation be adopted governing the rules and regulations of the Housing Trust Fund Act, to wit:

AN ACT TO ADOPT THE RULES AND REGULATIONS GOVERNING THE ADMINISTRATION, DEVELOPMENT, IMPLEMENTATION, PROCEDURES, AND GUIDELINES OF THE HOUSING TRUST FUND.

and which a copy of said proposed legislation is attached hereto and marked as Exhibit "A", and incorporated by reference and made part of this amended Resolution is hereby approved and adopted by the Board, herein.

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**FURTHER RESOLVED** that said amended Resolution shall be transmitted to the *I Liheslaturan Guahan* contemporaneously with the necessary documentation and proposed rules in accordance with 5 GCA §9300 of the Administrative Adjudicative Act as duly adopted by the Board of Directors of Guam Housing Corporation, herein.

**RESOLVED**, that the President and the Secretary attest to the adoption of this Resolution, and that the Secretary hereby instructed to insert a copy of the executed amended Resolution in the Minute Book of the Corporation.

IN WITNESS WHEREOF, the undersigned board of directors of **GUAM HOUSING CORPORATION** have hereunto subscribed their names to signify their adoption of the foregoing Resolution dated this 16 day of June, 2016.

  
\_\_\_\_\_  
FRANCISCO FLORIG, Chairman

  
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TOMAS FLORES, Vice Chairman

  
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SANDRA BORDALLO, Member

  
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CECILIA PEREZ, Member


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## SECRETARY'S CERTIFICATE

I, Sandra Bordallo, Acting Secretary of the Guam Housing Corporation ("GHC") hereby certify as follows:

1. **Correct Copy of Amended Resolution.** The foregoing document is a full, true and correct copy of the amended Resolution (the "Resolution"), duly adopted at a regular meeting of the members of the board of directors of GHC duly and legally held at the regular meeting place thereon on June 16, 2016, of which meeting all of said members had due notice and at which at least a majority were present, thereof.
2. **Adoption of amended Resolution.** That at such meeting the amended Resolution was adopted by all the members present at said regular meeting.
3. **No Amendments.** That no other amendments, modifications, or revocations since the date of its adoption of said amended Resolution, except for those amendments contained herein, and that the same is now in full force and effect.
4. **Specimen Signatures.** The specimen signatures appearing below are the signatures of the duly authorized representatives, officers, and employees authorized to sign on behalf of GHC by the virtue of this Resolution.

IN WITNESS WHEREOF, I have hereunto set my hand as Secretary, this 16 day of June, 2016.

  
\_\_\_\_\_  
**SANDRA BORDALLO**  
*Acting Secretary of Guam Housing Corporation*

AN ACT TO ADOPT RULES AND REGULATIONS GOVERNING  
THE ADMINISTRATION, DEVELOPMENT, IMPLEMENTATION,  
PROCEDURES AND GUIDELINES OF THE HOUSING TRUST FUND  
ACT.

**Section 1.** Legislative Findings and Intent. *I Liheslaturan Guahan* established under Public Law 31-166, "The Housing Trust Fund Act". Under this Act, *I Liheslaturan Guahan* determined that the Housing Trust Fund shall be administered by Guam Housing Corporation wherein the funds contained under this Trust shall be used to assist qualified recipients to obtain affordable housing as provided under this Act. Now therefore, it is the intention of the *I Liheslaturan Guahan* to adopt rules, regulations, and procedures governing the administration of affordable housing to qualified recipients under the Housing Trust Fund Act.

**Section 2.** A provision is added to the Guam Code Annotated regarding the adoption of rules and regulations governing the implementation, development, and administration of the Housing Trust Fund as follows.

(a) Purpose and Use of the Housing Trust Funds:

- (i) The Housing Trust Fund shall be kept separate and apart from all other funds or accounts held or maintained by Guam Housing Corporation. The fund for purposes of this section may come from federal grants and other contributions, grants, gifts, bequests, and donations received from other governmental entities, individuals, private organizations, or foundations, and any interest earnings on such monies, which monies Guam Housing Corporation may solicit, accept, expend and disburse for the purpose of making grants or loans subject to approval by *I Liheslaturan Guahan*. The fund shall also consist of all monies collected by Guam Housing Corporation,

which may include monies generated from recording fees, real property transfer fees, interest money earned from tenant security deposits, or real estate brokered escrow accounts, or other viable resources to support the Housing Trust Fund Program as approved by *I Liheslaturan Guahan*. The funds, collected as provided under this section or by law, shall be transmitted to Guam Housing Corporation, and deposited in a separate account under the Housing Trust Fund.

- (ii) The Board of Directors of Guam Housing Corporation shall approve monies held in the Housing Trust Fund for the improvement, preservation, or expansion of affordable housing, or to finance foreclosure prevention activities on Guam, fund the acquisition of housing, or to fund resources towards obtaining economic data necessary to advise the Board of Directors of Guam Housing Corporation relating to housing conditions on Guam.
- (iii) Any monies held in the fund that is not expended or encumbered from any appropriation at the end of any fiscal year, including interest earned on the investment or deposit of moneys held in the fund, shall remain in the fund and shall not revert to the general fund account or any other funds under the control and management of Guam Housing Corporation, and shall be utilized for the next fiscal year for the purposes specified in the Housing Trust Fund Act.

(b) Allocation Procedures for Programs.

- (i) The Housing Trust Funds may be used for the production or preservation of affordable housing through acquisition of, new construction, reconstruction,

and/or rehabilitation of non-luxury housing upon the approval by the Board of Directors of the Corporation. These funds shall be allocated to specific, affordable housing and rental programs as established under this Act. A fee of ten percent (10%) shall be allocated and used from the Housing Trust Fund for each housing or rental program supported by Housing Trust Fund and remitted to Guam Housing Corporation to cover the Corporation's reasonable administrative fees associated with administering the Housing Trust Fund Program.

(ii) The Corporation, upon approval by the Board, shall determine a percentage of the trust funds to be withheld in support of the various affordable housing programs approved by *I Liheslaturan Guahan*, consistent with the appropriate criteria and guidelines as provided by law or regulation, to include, but not limited to, the following type of programs:

- Home ownership programs
- Land survey revolving fund
- Down payment assistance programs
- Grants designated under the First Time Home-owner Relief Act program
- Rental assistance programs
- Utility hook-up programs
- Hazard mitigation programs
- Property renovation programs
- Homeless programs

- Retrofit programs for ADA compliance
- Emergency shelters
- Housing Solution Programs for the elderly
- Property acquisition programs
- New Construction programs
- Non-Profit or charitable housing programs
- Special lending or loan programs
- Short term loan programs
- Any other affordable housing program as approved by the Corporation and the *I Liheslaturan Guahan* consistent with this Act.

(iii) The disbursement of these funds to a specific program shall be based upon income and financial need with the primary emphasis on the lowest of the income level as identified by the U.S. Department of Housing and Urban Development (HUD) adjusted by household size and consistent with the guidelines established by Guam Housing Corporation's income limits.

Some of these programs may be specific to first time home buyers, or by income or financial need, as determined by the specific program, and consistent with this Act.

(iv) The guidelines and criteria for each housing program as set forth above, unless otherwise specified elsewhere, shall be established by the Board of Directors of the Corporation and approved by *I Liheslaturan Guahan*.

(c) Prohibited activities and fees under the Housing Trust Fund.

The Housing Trust Funds shall not be used to pay any delinquent taxes, fees,

or other charges on properties to be assisted with Housing Trust Funds, or for any political activities, travel or lobbying associated with the development and implementation of the Housing Trust Fund Program.

(d) Duties and responsibilities of Guam Housing Corporation involving the administration of the Housing Trust Fund Program:

- (i) GHC shall encourage private enterprise in all public and private agencies engaged in the planning, construction, and acquisition of adequate affordable housing or the rehabilitation of existing houses in Guam by providing research, advisory, and liaison services and grants for rehabilitation, construction, or acquisition from appropriations made for this purpose by *Lihselaturan Guahan* and from funds accumulated in the Housing Trust Fund.
- (ii) GHC shall conduct continuing research into new approaches to affordable housing on Guam to include:
  - 1. Investigation of living, dwelling, and housing conditions on Guam and viable means and methods of correcting unsafe, unsanitary, or substandard conditions;
  - 2. Make available to responsible agencies, boards, commissions, or other government agencies its findings and recommendations with regard to any building or property where conditions exist which are unsafe, unsanitary or substandard;
  - 3. Accept and receive grants and services from the federal government and other sources and to process such grants and services for itself and other public and private non-profit agencies and corporations



- related to affordable housing;
4. Provide training and technical support to individuals, private enterprise and all public agencies in the construction and renovation of affordable housing;
  5. Administer and make loans and grants available to individuals and private enterprise foreclosure counselors who will assist individuals or enterprises in understanding, avoiding, or working through foreclosures of property;
  6. Serve as the sole agency for the purpose of administering any plan for financial housing assistance to persons in low and moderate income households for the purpose of assisting such persons in obtaining housing, including without limitation, rental assistance, technical assistance, the construction and rehabilitation of housing, as well as any other plan relating to such financial housing assistance that requires action that has not been made the specific responsibility of any other agency in accordance with this Act, or other federal or Guam law consistent with this section and Act;
  7. Establish and adopt such rules and regulations as may be necessary to accomplish the goals of the Housing Trust Fund Act;
  8. Enforce the provisions of this Act and the rules and regulations adopted pursuant to this Act.

**Section 3.** Severability. If any provision of this Act of its application to any person or circumstances is found to be invalid or contrary to law, such invalidity shall not affect other

provisions or applications to this Act which can be given effect without the invalid provisions or application, and to this end the provisions of this Act are severable.