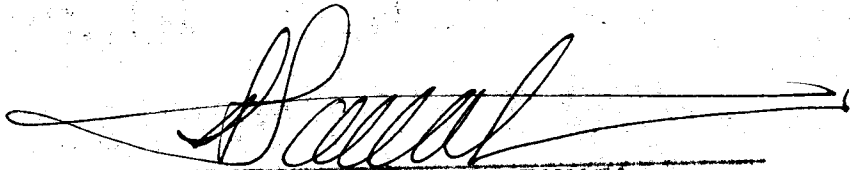



FIFTEENTH GUAM LEGISLATURE
1980 (SECOND) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

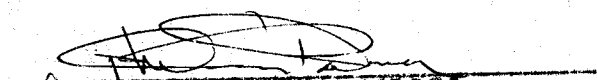
This is to certify that Substitute Bill No. 7, "An Act to add a new Chapter X-B to Title XIV of the Government Code to provide for development of residential subdivisions and for other purposes", was on the 11th day of April 1980, duly and regularly passed.


THOMAS V. C. TANAKA
Speaker

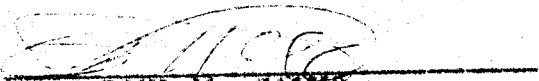
ATTESTED:


JAMES H. UNDERWOOD
Legislative Secretary

This Act was received by the Governor this 15th day of May, 1980, at 2:45 o'clock P..M.


SHERRA L. FRANCISCO
Assistant Staff Officer
Governor's Staff

APPROVED:


PAUL M. CALVO
Governor of Guam

DATED: 5/21/80
PL 15-127

FIFTEENTH GUAM LEGISLATURE
1980 (SECOND) Regular Session

Bill No. 7
(As Substituted by the
Committee on Housing
and Community Development)

Introduced by

B. M. Palomo
A. R. Unpingco
T. C. Crisostomo

AN ACT TO ADD A NEW CHAPTER X-B TO TITLE XIV OF
THE GOVERNMENT CODE TO PROVIDE FOR DEVELOPMENT
OF RESIDENTIAL SUBDIVISIONS AND FOR OTHER
PURPOSES.

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

2 Section 1. Sections 1 through 9 of Public Law 11-91 are
3 repealed and Sections 1 through 5 of Public Law 10-195 are
4 repealed provided that any lots unsold or upon which contracts
5 of sale have been executed in the subdivisions established
6 under Public Law 11-91 and Public Law 10-195 shall be sold in
7 accordance with provisions of law existing when the lots were
8 offered for sale.

9 Section 2. A new Chapter X-B is added to Title XIV of the
10 Government Code to read:

11 "CHAPTER X-B

12 Development of Residential Subdivisions

13 Section 13965. General Definitions. As used in this
14 Chapter:

15 (1) 'Authority' means the Guam Housing and Urban
16 Renewal Authority.

17 (2) 'Board' means the Board of Commissioners of the
18 Guam Housing and Urban Renewal Authority.

19 (3) 'Grant' means a sum not in excess of Seven
20 Thousand Dollars (\$7,000) which the Authority shall pay
21 directly to home purchasers in accordance with rules and
22 regulations adopted by the Board. Said rules and

1 regulations shall include, among others, provisions
2 setting forth the criteria for eligibility for the
3 subsidies, provided that the subsidies shall only be
4 available as provided in Section 13965.6 of this
5 Chapter.

6 (4) 'Plan' means a subdivision plan which includes,
7 but is not limited to, a comprehensive development plan
8 for a residential subdivision. The plan shall include
9 the plotting of lots, mapping, layout and design of all
10 streets and utilities and may include the construction of
11 housing units for rental, lease or sale.

12 The plan shall also include open areas and
13 recreational facilities sufficient to meet the needs of
14 the residents of the subdivision. The plan shall be in
15 substantial conformance with the provisions of Title XIX
16 of this Code, except where the Board finds such
17 provisions impractical.

18 The plan shall include provisions for relocation of
19 persons displaced by the construction of the subdivision
20 and a provision for paying relocation expenses to such
21 individuals in accordance with Chapter 13 of Title XIV of
22 the Government Code known as the Relocation Assistance Act.

23 The plan shall, to the greatest extent possible, include
24 provisions for federal funding, adopted in accordance with
25 the provisions of Section 13965.4 of this Chapter.

26 (5) 'Family' means two or more persons related by
27 blood or marriage living together as a household, the head
28 of which is a United States citizen or permanent resident
29 alien.

30 (6) 'Person' means any individual, a natural person
31 or head of household who is a U.S. citizen or permanent

1 resident alien.

2 (7) 'Developable real property' means property upon
3 which a residential dwelling could be built in accordance
4 with applicable law without the necessity of the developer
5 incurring extraordinary or unreasonable costs for the site
6 preparation.

7 (8) 'Substandard dwelling' means a housing unit which
8 is a wooden or tin structure and non-typhoon proof.

9 Section 13965.1. Subdivisions Identified.

10 1. Pigua Subdivision (Merizo):

11 'Pigua Subdivision', as used in this Chapter, means
12 the Government of Guam land located in the municipality of
13 Merizo designated as Lot No. 505-R6, land square 38,
14 Sections 2 and 3 comprised of approximately 5,221,607
15 square feet/485,105+ square meters as described on Drawing
16 No. JCTA-S-07-79 and recorded in the Department of Land
17 Management, Government of Guam, on May 11, 1979 under
18 Document No. 302213.

19 2. Pagachao Subdivision (Agat):

20 'Pagachao Subdivision', as used in this Chapter, means
21 that Government of Guam land located in the municipality of
22 Agat, designated as Lot 350-R5, land square 31, Section 1
23 comprised of 6,082,474+ square feet as described on Drawing
24 No. RTDC-402-79 and recorded in the Department of Land
25 Management, Government of Guam, on May 7, 1979 under Document
26 No. 302067.

27 3. Umatac Subdivision:

28 'Umatac Subdivision', as used in this Chapter, means
29 that Government of Guam land located in the municipality of
30 Umatac, designated as Lot Nos. 253-2 and 253-R2, land square
31 33 and 38, Sections 2 and 3 comprised of 64,189+ square

1 meters as described on Drawing No. JCTA-S-01-79 and
2 recorded in the Department of Land Management, Government
3 of Guam, on May 11, 1979 under Document No. 302214.

4 4. Inarajan Subdivision:

5 'Inarajan Subdivision', as used in this Chapter, means
6 that Government of Guam land located in the municipality
7 of Inarajan designated as Lot No. 354-R2, land square 37,
8 Section 1 comprised of approximately 3,638,979 square feet/
9 388,074 square meters as described on Drawing No.
10 JCTA-S-00-3-78 and recorded in the Department of Land
11 Management, Government of Guam, on May 11, 1979 under
12 Document No. 302215.

13 5. Talofoyo Subdivision:

14 'Talofoyo Subdivision', as used in this Chapter, means
15 that Government of Guam land located in the municipality of
16 Talofoyo, designated as Lot No. 402-R2, land square 28,
17 Section 3 comprised of approximately 6,506,224 square feet
18 as described on Drawing No. CC-7833T and recorded in the
19 Department of Land Management, government of Guam, on May
20 11, 1979 under Document No. 302249.

21 6. Maimai Subdivision (Sinajana):

22 'Maimai Subdivision', as used in this Chapter, means
23 that Government of Guam land located in the municipality of
24 Sinajana designated as Lot No. 3420, containing an area of
25 173,447.45 square feet.

26 Section 13965.2. Transfer to Guam Housing and Urban
27 Renewal Authority. Notwithstanding any other provisions of
28 law, the Governor shall convey from the Government of Guam
29 to the Authority the subdivisions defined in Section
30 13965.1 of this Chapter. Provided, however, the Governor
31 shall reserve for the Government of Guam only such property

1 as is reasonably required for the public schools now
2 existing in the defined Pigua and Inarajan subdivisions.
3 The conveyance shall be subject to a right of re-entry by
4 the government of Guam if the Authority sells any of the
5 conveyed property. The conveyance shall be made within
6 thirty (30) days after the passage of this Chapter.

7 Section 13965.3. Preferences. The Authority is
8 authorized to develop and lease, for not longer than ninety
9 nine (99) years, land and to sell improvements within any of
10 the subdivisions enumerated or established by this Chapter
11 in accordance with the approved plan for the respective
12 subdivisions. Such leases of land shall be in accordance
13 with the disposition policy established by the Authority
14 subject to the following preferences:

15 (1) First preference shall be given to a person or
16 family who is a bonafide resident or permanent resident
17 alien who resided in the respective municipalities or
18 villages where the referenced subdivisions are located
19 prior to the enactment of this Chapter and who is without
20 fee title to any developable real property of his own.

21 (2) Second preference shall be given to a person or
22 family who is without fee title to any developable real
23 property who are bona fide residents of Guam or permanent
24 resident aliens.

25 Section 13965.4. Same: Exception. For the purposes
26 of Section 13965.3 of this Chapter, ownership by a person
27 or family of real property upon which a substandard dwelling
28 is constructed shall not bar the eligibility for the
29 preferences established by Section 13965.3 of this
30 Chapter if the applicant person or family was residing in
31 such substandard dwelling on the effective date of this
32 Chapter and the real property upon which the substandard
33 dwelling is constructed is acquired by the Authority in

1 accordance with Section 13965.9 of this Chapter.

2 Section 13965.5. Approval of subdivision plans:

3 (a) The Authority shall prepare or cause to be
4 prepared subdivision plans and may utilize for this purpose
5 the assistance and cooperation of any agency, public or
6 private. Prior to its adoption of a subdivision plan, the
7 Authority shall submit such plan to the Territorial Planning
8 Commission for review as to its conformity with the
9 'Comprehensive Development Plan and Community Design Plan'
10 and Title XIX of the Government Code and shall issue a
11 decision within thirty (30) days after receipt of a
12 proposed subdivision plan from the Authority. The Planning
13 Commission shall submit its review and decision with respect
14 to the proposed subdivision plan to the Authority for action.
15 Upon approval of the plan by the Territorial Planning
16 Commission, the Authority may proceed with the public
17 hearing prescribed by Subsection (b) of this Section.

18 (b) The Authority shall hold a public hearing on a
19 proposed subdivision plan after public notice thereof. The
20 notice shall describe the hour, date, place and purpose of
21 the hearing, shall generally identify the subdivision area
22 covered by the plan and shall outline the general scope of
23 the proposed subdivision plan. The notice shall be
24 published at least once a week for not less than two (2)
25 successive weeks immediately prior to the date of the
26 hearing, the first publication to be not less than ten (10)
27 days prior to the date of the hearing, in at least once in
28 a newspaper of general circulation in the community or
29 locality in which the subdivision is situated, or, if there
30 be no such newspaper, be posted in at least three (3) public
31 places in the community or locality for not less than

1 ten (10) days immediately prior to the date of the hearing.
2 In the computation of the period of publication or posting,
3 both the day of the first publication or posting and the
4 day of the hearing shall be included.

5 (c) Within sixty (60) days after conclusion of the
6 public hearing prescribed by Subsection (b) of this Section,
7 the Authority shall consider and act upon the proposed
8 subdivision plan and may, by resolution, adopt the
9 subdivision plan.

10 (d) Within fifteen (15) days after the adoption of
11 a subdivision plan by the Authority, it shall transmit to
12 the Legislature the following: (1) a certified copy of the
13 subdivision plan as adopted by the Authority, if any; (2) a
14 summary report of the public hearing; (3) a proposed
15 financing plan for the plan to include estimated costs of
16 subdivision activities, estimated return from the lease of
17 project lands, and the proposed means of furnishing such
18 local grants-in-aid as may be required for the project; and
19 (4) a proposed relocation plan specifying a feasible method,
20 including temporary relocation measures proposed for the
21 relocation of families or single persons displaced as a
22 result of the project in decent, safe and sanitary houses
23 within their financial means.

24 (e) The subdivision plan and the supporting
25 documentation as listed in Subsection (d) of this Section
26 shall be submitted by the Authority to the Legislature. The
27 Legislature may approve or reject the same by resolution
28 adopted by majority vote, but if no action to approve or
29 reject the plan is taken by the Legislature within forty-five
30 (45) calendar days after receipt of the plan, it shall be
31 deemed rejected. Approval of the plan shall include

1 findings that (1) a feasible method has been found for
2 the relocation of families displaced from the subdivision
3 area into decent, safe and sanitary dwellings within their
4 means and without undue hardship to such families; (2) the
5 subdivision plan conforms to the Comprehensive Plan for
6 Guam; and (3) the subdivision plan will afford maximum
7 opportunity, consistent with the sound needs of Guam for
8 the rehabilitation or redevelopment of the subdivision
9 areas. If the subdivision plan is for a subdivision plan
10 for which Federal financial aid is contemplated under the
11 Housing Act of 1949, as amended, the approval of the plan
12 shall also include findings that Federal financial aid is
13 necessary to enable the project to be undertaken in
14 accordance with the subdivision plan; and a determination
15 and recognition that certain contributions or local
16 grants-in-aid on the part of Guam, as determined in
17 accordance with the Housing Act of 1949, as amended, and
18 other applicable law, will be required for the subdivision
19 plan.

20 (f) Upon approval of a subdivision plan by the
21 Legislature, the Authority shall authorize the undertaking of
22 the plan by the Authority in accordance with the subdivision
23 plan.

24 (g) Upon the approval of a subdivision plan by the
25 Legislature, the provisions of the subdivision plan with
26 respect to the future use and building requirements
27 applicable to the property covered by said plan shall be
28 controlling with respect thereto and shall have the force
29 and effect of law, and the Authority may thereafter carry
30 out the plan.

31 (h) Any subdivision plan for an approved project shall

1 be filed for record in the Department of Land Management in
2 such a manner as to afford actual or constructive notice of
3 the provisions of such plan. Thereafter, reference in any
4 instrument or document to the provisions of such recorded
5 plan and the recordation thereof shall be for all purposes
6 the same as though the referred to provisions were set
7 forth in such instrument or document.

8 Section 13965.6. Lease of property for use in
9 accordance with the plan. Subject to such requirements and
10 procedures as the Federal Government may impose with respect
11 to federally-aided subdivision plans, which shall in any
12 event prevail:

13 (a) The Authority may lease, for not longer than
14 ninety-nine (99) years, land or any interest therein acquired
15 by it, may sell improvements, and may enter into contracts
16 with respect thereto, in a subdivision for residential,
17 recreational or for other public use, in accordance with
18 the subdivision plan, subject to such covenants, conditions
19 and restrictions, including covenants running with the land,
20 as it may deem to be in the public interest or necessary
21 to assist in preventing the development or spread of future
22 slums or blighted areas or to otherwise carry out the
23 purposes of this Chapter; provided that such lease of land,
24 sale of improvements, and any agreements relating thereto
25 may be made only after the approval of the subdivision plan.

26 (b) The lessees shall be obligated to devote such
27 land only to the uses specified in the subdivision plan,
28 and may be obligated to comply with such other requirements
29 as the Authority may determine to be in the public interest
30 or the Federal Government may determine to be necessary as
31 a condition of Federal aid, including the obligations to

1 begin and to complete within a reasonable time any improve-
2 ments on such real property required by the subdivision
3 plan and the new uses specified therein; provided that any
4 obligation to begin construction of improvements shall not
5 apply to mortgagees and others who acquire an interest in
6 such property as the result of the enforcement of any lien
7 or claim thereon.

8 (c) The Authority is authorized to lease lots in the
9 subdivisions authorized by this Chapter at their market
10 value.

11 (d) Special provisions for coastal land. Notwith-
12 standing any other provisions of this Chapter, the Authority
13 is authorized to exchange lots in the subdivision for lots
14 lying within the seashore reserve as defined by Section
15 13412 (c) of this Code. Said exchange shall be made only
16 in the case where a person or family is residing on a lot
17 within the seashore reserve and exchanges said lot for a lot
18 within the subdivision upon which it will reside. Each of
19 the lots will be valued at its fair market value. In
20 determining the fair value of lots in the subdivision for
21 uses in accordance with the subdivision plan, the Authority
22 shall take into account and give consideration to the uses
23 provided in such plan; the restrictions upon, and the
24 covenants, conditions, and obligations assumed by the owners
25 of such lots in a subdivision area; and the objectives of
26 such plan for the prevention of the recurrence of slum or
27 blighted areas. The Authority may retain or employ
28 qualified appraisers and land valuation experts to appraise
29 the value of such real property in accordance with the
30 standards here prescribed, which appraisals shall be
31 advisory in nature only for the purpose of aiding and

1 assisting the Authority in finding, determining and
2 establishing the fair value of such real property for uses
3 in accordance with the subdivision plan.

4 No person or family shall be entitled to more than
5 one subdivision lot. The Board of Commissioners of the
6 Authority shall provide rules and regulations for the
7 implementation of this Section.

8 (e) The Authority shall provide in any lease or other
9 agreement that the lessee shall be without the power to
10 sublease or otherwise transfer the land without the prior
11 written consent of the Authority. The Authority shall
12 provide in any such lease or other agreement that the
13 lessee shall be without power to sell, lease or otherwise
14 transfer any improvements upon the lot without the prior
15 written consent of the Authority. The Authority shall
16 provide, in any such lease or agreement, that such real
17 property shall revert to or revest in the Authority at its
18 discretion, upon a breach or violation of any condition,
19 covenant, restriction, undertaking or other requirements
20 relating to the use of the property or otherwise without
21 relieving any lessee of any obligation assumed by such
22 lessee, and without liability on the part of the Authority
23 for any claim arising from such reversioning or reversion. The
24 Authority, upon a certification by it to a court of competent
25 jurisdiction that any lessee has breached or violated any
26 condition, covenant, restriction, undertaking, or require-
27 ment, shall be entitled to immediate relief (without bond
28 or liability for damages) restraining and enjoining any
29 such breach or violation, pending the determination of the
30 issues in the controversy.

31 (f) The lease or other agreement for each lot shall

1 contain a restraint on the alienation of improvements on
2 the lot for a period of ten (10) years after the lease is
3 executed. The lease or other agreement shall grant the
4 Authority an option, after the initial ten (10) year period,
5 to purchase the improvements on said lot at the fair market
6 value of the improvements. The Authority shall sell the
7 improvements to a person or family qualifying to lease the
8 lot under Section 13965.3 of this Chapter. The Authority
9 shall provide by rule or regulation for the purchase of
10 improvements on such lots under uniform conditions. The
11 restraint provided for by this Section shall not prohibit
12 the transfer of such improvements by devise or descent if
13 the beneficiary qualifies under Section 13965.3 of this
14 Chapter to lease the lot. Nothing in this Chapter shall
15 prevent a mortgagee from foreclosing the interest of any
16 mortgagor in default on a mortgage or deed of trust entered
17 as security for financing the improvement of a lot in one
18 of the subdivisions identified in Section 13965.1 of this
19 Chapter. In the event of foreclosure or any proceeding in
20 lieu thereof, the mortgagee may convey the improvement to
21 any buyer. Such conveyance shall not be subject to any of
22 the restrictions of Section 13965.1 of this Chapter.

23 (g) The inclusion in any such lease or other agreement
24 of any of the covenants, restrictions, or conditions
25 provided in Subsections (a), (b), (c) and (d) of this Section
26 including the incorporation by reference therein of the
27 provisions of a subdivision plan or any part thereof, shall
28 not prevent the filing of such contract or conveyance in the
29 Department of Land Management in such a manner as to afford
30 actual or constructive notice thereof.

31 (h) Real property acquired by the Authority which, in

1 accordance with the provisions of the subdivision plan, is
2 to be leased, shall be leased as rapidly as feasible in the
3 public interest consistent with the carrying out of the
4 provisions of the subdivision plan.

5 Section 13965.7. Grant: establishment of special
6 fund. There is authorized to be appropriated the sum of Two
7 Hundred Fifty Thousand Dollars (\$250,000) to the Guam
8 Housing and Urban Renewal Authority (GHURA) for the purpose
9 of subsidizing directly home purchasers under Preferences 1
10 and 2 due to insufficient income, who would not otherwise
11 qualify for home mortgage financing. In no case shall such
12 grant exceed Seven Thousand dollars (\$7,000) per purchaser.
13 A special fund shall be established to account for the
14 subsidies herein authorized under rules and regulations
15 adopted therefor by the Guam Housing and Urban Renewal
16 Authority. Such rules and regulations shall include, among
17 other things, provisions setting forth the criteria for
18 eligibility to the subsidies.

19 Section 13965.8. Revolving Fund. There is appropriated
20 from the General Fund the sum of Two Hundred Fifty Thousand
21 Dollars (\$250,000) to the Guam Housing and Urban Renewal
22 Authority (GHURA) for the purpose of establishing a
23 revolving fund. The money in the revolving fund shall be
24 used for the purpose of meeting current obligations incurred
25 in the development or construction of the subdivisions in
26 this Chapter and to acquire substandard dwellings. The
27 board shall authorize current payments to its contractors or
28 suppliers and proceeds of sales in the housing project shall
29 be deposited in the fund.

30 Section 13965.9. Acquisition of substandard dwelling.
31 The Authority is authorized to acquire the real property

1 upon which a substandard dwelling is constructed when such
2 substandard dwelling is occupied by a family who were if
3 not for ownership of such real property, would otherwise be
4 eligible for a preference classification under Section
5 13965.3 of this Chapter.

6 The acquisition of such real property shall be in
7 accordance with such terms and conditions as the Board shall
8 prescribe by uniform regulation.

9 Section 13966. Maintenance of substandard dwellings.
10 Upon acquisition of title of real property upon which
11 substandard dwellings are constructed, the Authority shall
12 take such steps as are necessary to protect the health and
13 safety of persons living in the immediate vicinity of said
14 dwellings and to this end, the Authority may cause such
15 dwellings to be razed or rehabilitated. The Authority may
16 temporarily convert such real property into parks, devote
17 it to some other public use or utilize it for low rent
18 public housing after appropriate rehabilitation.

19 Section 13966.1. Permanent disposition of substandard
20 dwelling. From time to time, the Authority shall prepare
21 comprehensive plans for the redevelopment of real property
22 that it acquires in accordance with Section 13965.9 of this
23 Chapter. The plans may provide for the selling, leasing or
24 renting of said property with or without improvements. The
25 property may also be turned over to other branches of the
26 government. On approval of the plan by the Board of
27 Commissioners, the property shall be disposed of or utilized
28 in accordance with said plan.

29 Section 3. Notwithstanding any provision of law to the
30 contrary, departments and agencies of the government of Guam
31 shall provide for preferential hiring of applicants to jobs

1 within the government of Guam to residents of Guam who have
2 completed their post secondary education assisted by the award
3 of educational scholarships or loans from the government of
4 Guam. Such preference shall be available only in selection for
5 initial employment.

DATE 4-11-80

15TH GUAM LEGISLATURE

VOTING RECORD

BILL/RESOLUTION NO. 7

MAIN SPONSOR BMP
NOT VOTING

SENATOR	AYE	NAY	NOT VOTING	ABSENT
AGUON, Katherine B.				
BAMBA, Cecilia C.	✓			
BLAS, Frank F.	✓			
CHARFAUROS, Edward T.	✓			
CRISOSTOMO, Thomas C.	✓			
DUENAS, Edward R.	✓			
ESPALDON, Ernesto M.	✓			
KASPERBAUER, Carmen A.	✓			
LAMORENA, Alberto C., III	✓			
PALOMO, Antonio M.	✓			
PALOMO, Benigno M.	✓			
PEREZ, Peter, Jr.	✓			
QUAN, John F.	✓			
QUITUGUA, Franklin J.	✓			
SAN AGUSTIN, Joe T.	✓			
SANTOS, Francisco R.	✓			
SUDO, Ramon Q.	✓			
TAITANO, Richard F.	✓			
TANAKA, Thomas V. C.	✓			
UNDERWOOD, James H.	✓			
UNPINGCO, Antonio R.	✓			

TOTAL

19 0 0 1