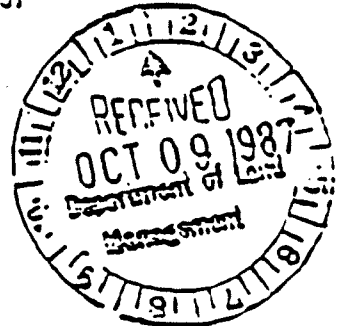


SETBISICH NAMPLAREHA
Bureau of Planning

OCT 08 1987



Memorandum

To: Director, Department of Agriculture

From: Director, Bureau of Planning

Subject: Agricultural Lease of Government Land - Yigo

The Bureau of Planning is in receipt of the attached memorandum, whereby Mr. Felix Quan has expressed interest in utilizing government land in Yigo for agricultural activities, however, the subject lot is not included in the Guam Public Land-Use Plan (GPLUP). The Bureau, therefore, is requesting your department's analysis of the lot to determine if an "Agricultural" designation is the most appropriate classification for the property. Please submit your department's comments to the Bureau no later than October 16, 1987. Your immediate attention would be greatly appreciated.

As you may have noticed, there are some discrepancies with the lot numbers, and we have informed the Department of Land Management of the problem.

/s/
MICHAEL J. CRUZ
Acting

Attachment

10-13-87
2:35 PM

JAQUIN N. NAPUTI
Acting Director



Agricultural Development Services 734-3947
Aquatic & Wildlife Resources 734-3944
Forestry & Soil Resources 734-3948
Animal & Plant Industry 734-3940/49

Sales & Permit Info 734-3945
Administrative Ser. 734-3941/2

AGANA, GUAM 96910

September 26, 1988




MEMORANDUM

TO: Director, Department of Land Management
FROM: Director, Department of Agriculture
SUBJECT: Request to lease Lot 7159, Yigo

This office is in receipt of a request to lease 7159 in Yigo, Guam. In this light, I am requesting your office if this lot could be made available.

Kindly, advise our office on the status of said lot which is subject to EPA's scrutiny.

Thank you for your assistance.


JAQUIN N. NAPUTI,
Acting

04-FY-87

Richard [Signature] DATE 2/26/87

TERRITORY PLANNER DATE

APPROVED

[Signature] DATE 2-27-87

DIRECTOR OF LAND MANAGEMENT DATE

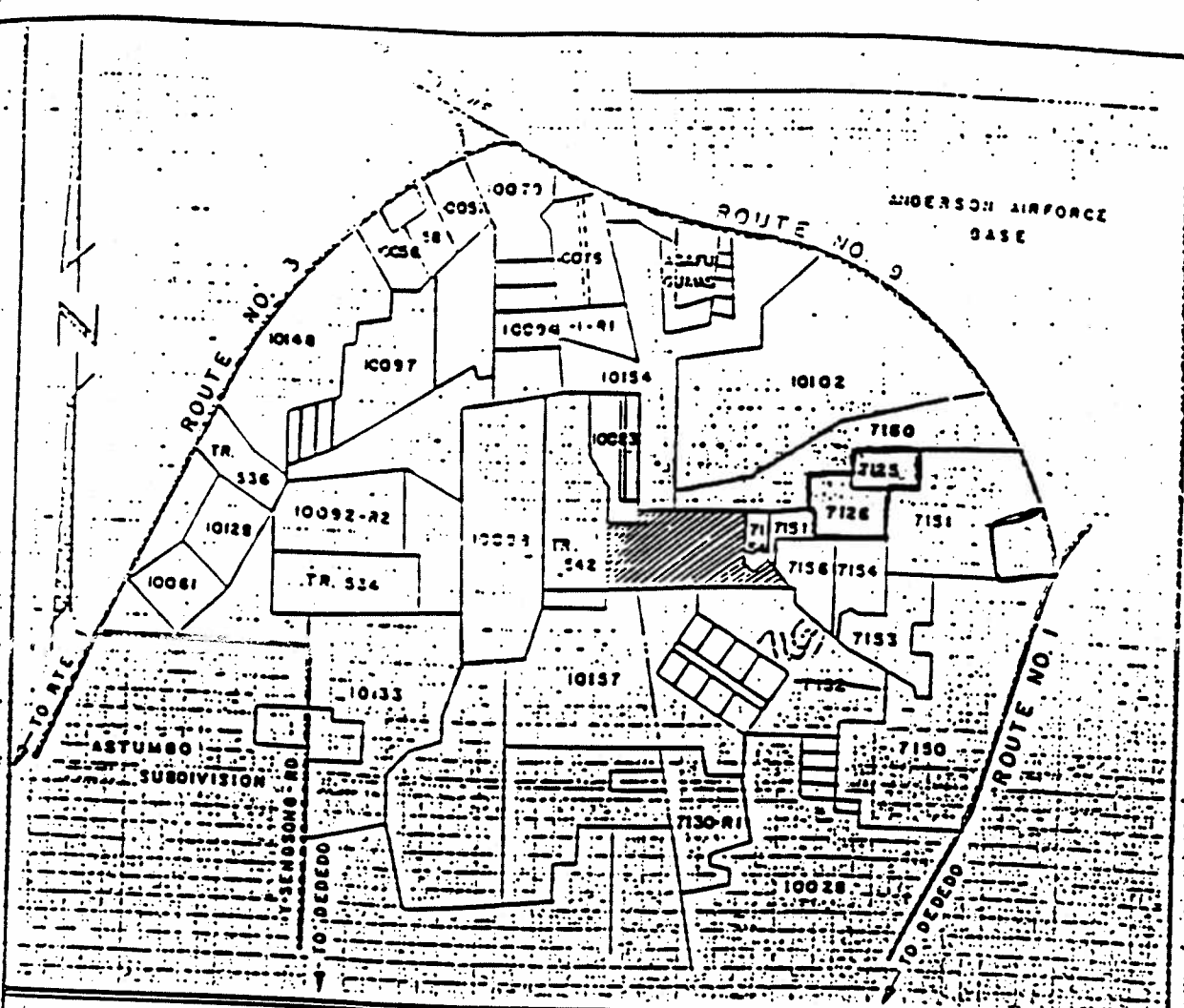
SURVEY DATA			ABSTRACT OF TITLE		
SUBJECT	BY	DATE			
JCC No. 297-4-86	JAN. 1987		BASIC LOT 100 (Formerly Tract "N.C.")		
RESEARCHED	J. CAMACHO	JAN. 1987	CERT. OF TITLE UNREGISTERED		
FIELD	A. MESA	JAN. 1987	REGISTERED ON UNREGISTERED		
FIELD SUPV.	S.T. ORTEGA	JAN. 1987	IN NAME OF		
COMPUTED	S.T. ORTEGA	JAN. 1987	GOVERNMENT OF GUAM		
DRAWN	J. CAMACHO	JAN. 1987			
CHECKED	BIO/ANBC	FEB. 1987			

REV.	DATE	BRIEF DESCRIPTION	BY	DATE	APPROVED

LAND REGISTRATION SURVEY MAP
 OF
 LOT 7159
 (FORMERLY TRACT "N.C.")
 MUNICIPALITIES OF DEDEDO & YIGO
 L.S. 5 SEC. 4

GOVERNMENT OF GUAM
 DEPARTMENT OF LAND MANAGEMENT
 LAND SURVEY DIVISION

SCALE 1" = 100'	DRAWING NUMBER
SHEET 1 OF 1	PLM CHECKED No. LAND MANAGEMENT
	041-FY87 I4-87T286



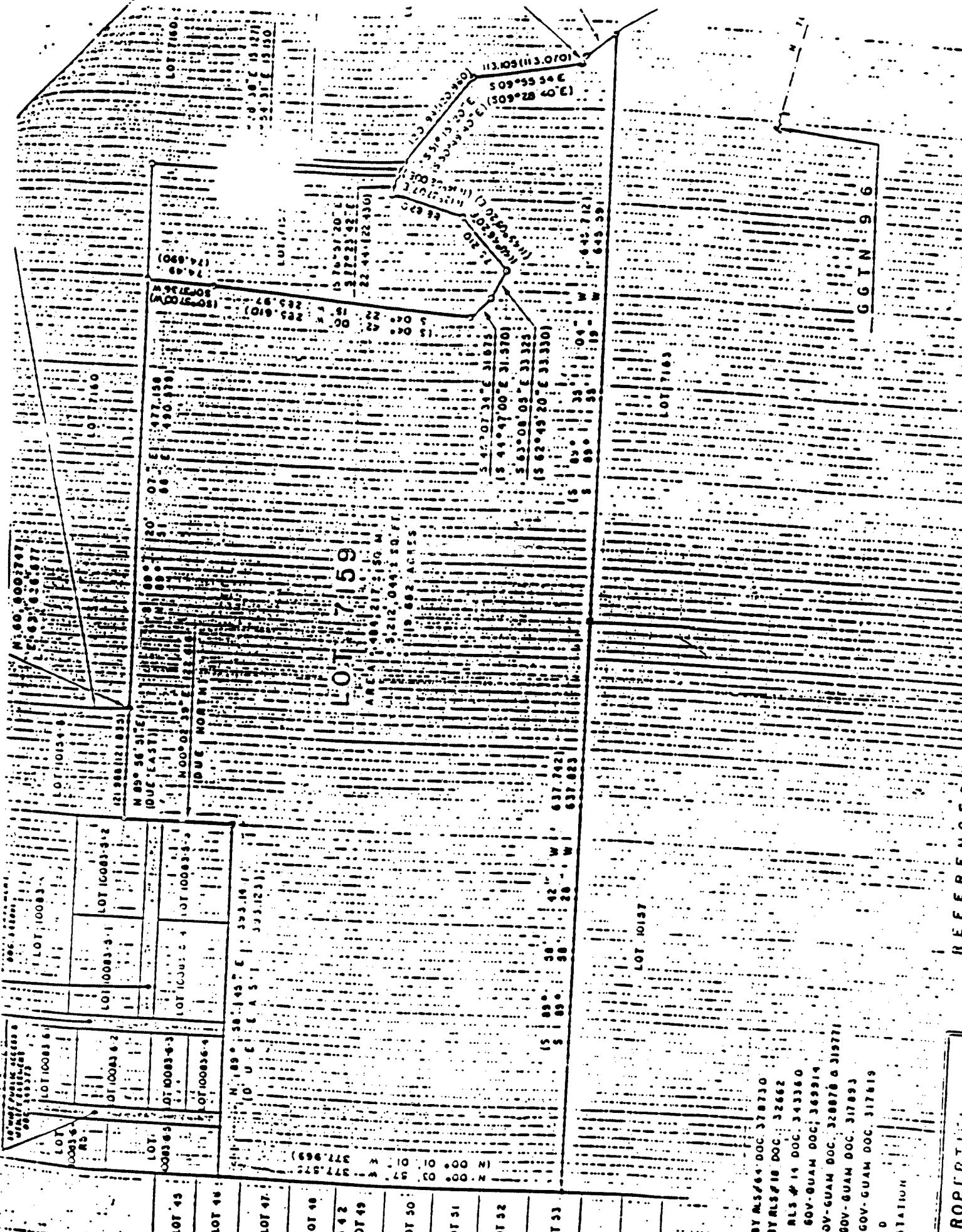
LOCATION MAP
NOT TO SCALE

NOTES

1. SURVEY WAS BASED ON FOUND CORNER AS SHOWN
2. ALL DISTANCES ARE IN METERS, UNLESS OTHERWISE NOTED.
3. BEARINGS AND DISTANCES IN PARENTHESES ARE RECORD DATA ALL OTHERS ARE 1963

CERTIFICATION

NICANOR B. CARINO HEREBY CERTIFY THAT THIS MAP WAS PREPARED UNDER MY DIRECT SUPERVISION THAT IT IS BASED UPON A FIELD SURVEY MADE IN JANUARY 1987, AND THAT IT MEETS ALL THE REQUIREMENTS OF CHAPTER 9, TITLE XIV OF THE



LOT 10159

AREA 1004 217.150 M

5.212,041 ± SQ FT

19,682 ± ACRES

M 60.6007471
E 69.0360771

LOT 10154-B

LOT 45	LOT 10083-1	LOT 10083-2
LOT 46	LOT 10083-3	LOT 10083-4
LOT 47	LOT 10083-5	LOT 10083-6
LOT 48	LOT 10083-7	LOT 10083-8

M 189° 56' 51" E
(DUE EAST)
121,988.112 ± FT

M 89° 56' 51" E
(DUE EAST)
323.16 ± FT

M 00° 03' 33" E
(DUE NORTH)
333.123 ± FT

M 89° 56' 51" E
(DUE EAST)
637.792 ± FT

M 89° 56' 51" E
(DUE EAST)
637.823 ± FT

M 89° 56' 51" E
(DUE EAST)
637.792 ± FT

M 89° 56' 51" E
(DUE EAST)
637.823 ± FT

M 89° 56' 51" E
(DUE EAST)
637.792 ± FT

M 89° 56' 51" E
(DUE EAST)
637.823 ± FT

M 89° 56' 51" E
(DUE EAST)
637.792 ± FT

M 89° 56' 51" E
(DUE EAST)
637.823 ± FT

M 89° 56' 51" E
(DUE EAST)
637.792 ± FT

M 89° 56' 51" E
(DUE EAST)
637.823 ± FT

M 89° 56' 51" E
(DUE EAST)
637.792 ± FT

M 89° 56' 51" E
(DUE EAST)
637.823 ± FT

M 89° 56' 51" E
(DUE EAST)
637.792 ± FT

M 89° 56' 51" E
(DUE EAST)
637.823 ± FT

M 89° 56' 51" E
(DUE EAST)
637.792 ± FT

- BY RLS#64 DOC 318730
- BY RLS#18 DOC 32662
- RLS # 14 DOC 343360
- GOV-GUAM DOC 369914
- GOV-GUAM DOC 328876 & 319771
- GOV-GUAM DOC 317893
- GOV-GUAM DOC 317619

LO
STATION

PROPERTY

REFER

GGTN 9 6

LOT 10163

LOT 10157

174.49

180.3700

180.3700

225.610

225.97

15.00

22.00

15.00

5.00

22.00

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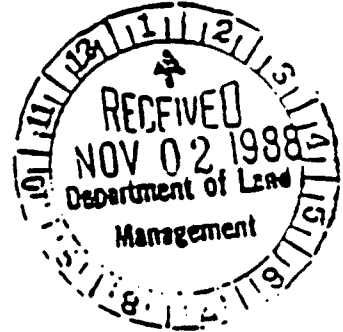
RECEIVED
NOV 04 1988



11/7/88
Director of Public Health & Social Services
Secretary
[Signature]

GOVERNMENT OF GUAM
AGANA GUAM 95910

NOV 01 1988



Memorandum

To: Director of Land Management
From: Director of Public Health and Social Services
Subject: 1) Administrative Transfer of Lot 7159
2) Exchange Transaction. Request of GMH

This is in response to your memo dated October 21, 1988. The Department of Public Health and Social Services does not have any plans or projects that may be affected by the disposition of the two government lots.

[Signature]
LETICIA V. ESPALDON, M.D.



TELEX 6131

RECEIVED
DEC 05 1988
GUAM POWER AUTHORITY
P. O. BOX 2977, AGANA, GUAM, USA 96910-2977

November 22, 1988



Memorandum

To: Acting Director,
Department of Land Management

From: General Manager, Guam Power Authority

Subject: Administrative Transfer of Lot No. 7159, Yigo
to Department of Agriculture for Agricultural
Activities

This is in response to your memorandum, dated October 21, 1988,
relative to the above subject matter.

Our field investigation reveals existing electrical power facilities
within Lot No. 7159, Yigo, as indicated in the attached print, shaded
in orange.

GPA places no objections to transferring Government owned land, Lot
No. 7159, Yigo, for lease purposes with the following conditions:

- 1) GPA reserves the right to protect, maintain and/or
operate on the existing facilities.
- 2) No permanent structures or tall plants shall be
constructed or grown under or near the electrical
facilities.
- 3) In the event a request is submitted to GPA for
removal or relocation of the existing power poles
and lines, the total cost for such removal or
relocation shall be borne by either the Department
of Agriculture or its tenants.

Thank you for providing GPA the opportunity to review this matter as
it does affect GPA's power facilities.


JOHN M. BENAVENTE

ECPA/JMBrac
cc: Manager of Engineering

Attachment/



GOVERNMENT OF GUAM
AGANA GUAM 96910

January 6, 1989

Memorandum (Informational) Ref: DLM 88-1785

To: Director, Department of Land Management

From: Attorney General *ETD*

Subject: Administrative Transfer of Lot 7159, Yigo to Department of Agriculture for Agricultural Purposes

In furtherance to our memorandum to you dated November 13, 1988 on the above-referenced subject, please be informed that Section 4 of Public Law 15-18 which was quoted therein has been amended by Public Law 19-10:43 as follows:

Section 4. Eligibility. Any person who is a citizen of the United States and of legal age, any corporation authorized to do business in the territory of Guam and authorized by its articles of incorporation to engage in agriculture and any partnership, limited or general, licensed to do business in the territory of Guam, shall, in accordance with the provisions of this Act, be eligible to lease government of Guam land for agricultural purposes.

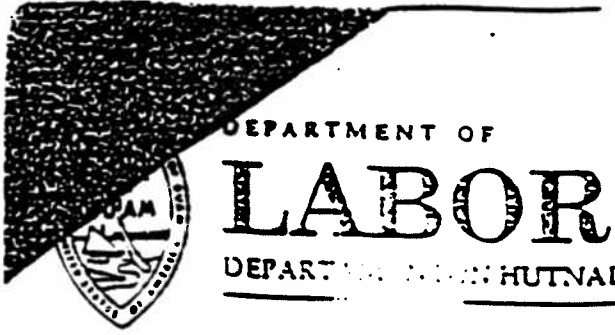
This amendment removes the restriction on the number of tracts one person may lease for agricultural purposes. Therefore, Mr. Quan may be eligible for an agricultural lease of Lot 7159, Yigo, provided the Bureau of Planning designates the lot as agricultural, the Governor approves the designation, and the Guam Environmental Protection Agency identifies the lot as a "low risk zone" for groundwater contamination.

This memorandum is informational only and is not issued as an opinion of the Attorney General. For a faster response to any inquiry about this memorandum, please use the reference number shown.

OFFICE OF THE ATTORNEY GENERAL

By:

Deborah M. Terlaje
DEBORAH M. TERLAJE



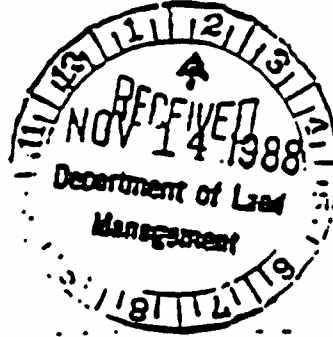
DEPARTMENT OF
LABOR

DEPARTMENT HEAD: HUTNALERO

EDWARD A. GUERRERO, Director • FEV. OVALLES, Deputy Director

JOSEPH F. ADA
Governor

FRANK F. BLAS
Lieutenant Governor



NOV 14 1988

MEMORANDUM NO. 510-88

To: Director of Land Management
From: Director of Labor
Subject: Administrative Transfer of Lot 7159, Yigo to Department of Agriculture for Agricultural Activities

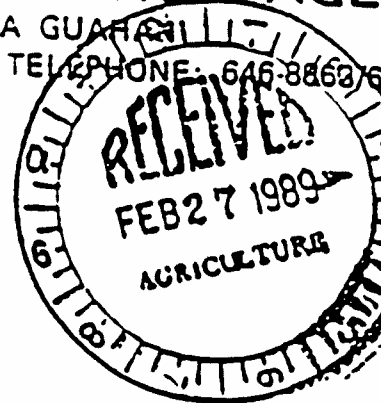
The Department of Labor do not have any objection on the Administrative transfer of Lot 7159 Yigo to Department of Agriculture for Agricultural activity in behalf of Mr. Felix Quan.


EDWARD A. GUERRERO



GUAM ENVIRONMENTAL PROTECTION AGENCY

AHENSIAAN PRUTEKSION LINA'LA GUAM
POST OFFICE BOX 2999 AGANA, GUAM 96910 TELEPHONE: 646-8863/6



FEB 24 1989

INTERAGENCY MEMORANDUM

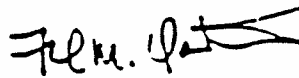
To: Director, Department of Agriculture
From: Administrator
Subject: Agricultural Land Lease Application

The application for a long term agricultural land lease, submitted by FELIX QUAN has been evaluated in view of the information that has been submitted concerning agricultural chemical usage in the proposed farming operations.

With the limited scope of farming operations planned and the proposed use of agricultural chemicals indicated, granting of the agricultural land lease requested should not create an unacceptable potential risk for groundwater contamination.

Upon the applicant's agreement to abide by specific rules regarding agricultural chemical usage (copy of rules attached) approval of the long term agricultural land lease is recommended.

Should you or the applicant have any questions concerning this letter or the attached rules, please contact Larry Strain, Special Assistant to the Administrator at 646-8863/5.


FRED M. CASTRO

Attachment

RULES AND REGULATIONS GOVERNING AGRICULTURAL CHEMICAL
USAGE BY LESSEES OF GOVERNMENT OF GUAM AGRICULTURAL LAND

1. Agricultural chemicals stored on-site shall be limited to the minimum amount necessary to meet the immediate needs of application. In no case should the amount stored exceed that necessary for a one year supply.
 2. Storage of concentrated agricultural chemicals is restricted to the original containers or unbreakable corrosion proof containers properly marked as to contents and precautions listed on the original label.

Storage of mixed or diluted agricultural chemicals is restricted to unbreakable corrosion resistant containers, properly marked.
 3. All storage, preparation, mixing and clean-up of agricultural chemicals must be conducted in a storm-proof containment structure with an impervious, fully drained floor. The drainage must be directed into a sanitary sewer or a septic tank that also receives human or animal waste or into an unbreakable, corrosion-proof container that can be emptied into a suitable waste disposal facility.
 4. Written Quarterly Reports on type, quantity, and use of agricultural chemicals must be made to the Department of Agriculture.
 5. Agricultural chemical containment facility and application operations must be open to inspection by the Department of Agriculture or Guam E.P.A. at reasonable hours.
 6. Any spills, loss or problems with the storage or use of agricultural chemicals outside the containment structure must be reported to Guam E.P.A. as soon as possible. Major spills of concentrated pesticides (8 ounces or more) are to be reported to Guam E.P.A. immediately.
 7. All contaminated soil and cleaning materials from any spill of concentrated pesticide outside the containment structure must be removed, containerized and disposed of in accordance with instructions from Guam E.P.A.
 8. Noncompliance with these conditions can result in cancellation of the Agricultural Land Lease under terms of Public Laws 15-18 and may result in prosecution under Guam E.P.A. Rules and Regulations.
-

INTERAGENCY MEMORANDUM

To: Director, Department of Agriculture

From: Administrator

Subject: Agricultural Land Lease Application

The application for a long term agricultural land lease, submitted by FELIX QUAN has been evaluated in view of the information that has been submitted concerning agricultural chemical usage in the proposed farming operations.

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Upon the applicant's agreement to abide by specific rules regarding agricultural chemical usage (copy of rules attached) approval of the long term agricultural land lease is recommended.

Should you or the applicant have any questions concerning this letter or the attached rules, please contact Larry Strain, Special Assistant to the Administrator, at 646-8863/5.

CHARLES P. CRISOSTOMO, M.P.H.

Attachment

cc: [unclear] - SANTA RITA 96915
[unclear]
Jim C
LARRY STRAIN



University of Guam

COLLEGE OF AGRICULTURE AND LIFE SCIENCES
UOG Station Manguao, Guam 96923

OFFICE OF THE DEAN/DIRECTOR

November 13, 1987

Dear Madam/Sir:

This is to verify that the Cooperative Extension Service, College of Agriculture and Life Sciences, University of Guam, has reviewed the Proposed Agricultural Lease for GovGuam Lot #7159 of Mr. Felix P. Quan.

The review has met our satisfactory approval and that we know of Mr. Quan's character to be that of a conscientious farmer, one that will employ all necessary safeguards to ensure production of safe and quality products, as well as protecting the environment in his production practices.

This is also to ascertain that the College stands ready in support of Mr. Quan's farming operation and expansion plans. Further, the College within its means, will provide Mr. Quan the necessary assistance to ensure that environmental safeguard measures are employed at his farms.

Sincerely,


WILFRED P. LEON GUERRERO
Dean/Director



GUAM ENVIRONMENTAL PROTECTION AGEN

AHENSAN PRUTEKSION LINA'LA GUAHAN
POST OFFICE BOX 2999 AGANA, GUAM 96910 TELEPHONE: (671) 646-8883/64/65 FAX: 646-

MAY 4 1989

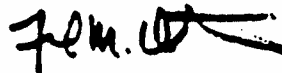
INTERAGENCY MEMORANDUM

To: Director, Department of Agriculture
From: Administrator
Subject: Agriculture Land Lease - Felix Quan

The status of the risk of groundwater pollution associated with agricultural activities on Government of Guam Tract 7159, Yigo, has been evaluated by this Agency.

In view of the fact that this property is relatively remote from any present or proposed production wells, it is felt that the proposed farming activities will not constitute an unacceptable risk of contamination of the groundwater. Therefore, subject to the Rules and Regulations Governing Agricultural Chemical Usage by Leasees of Government of Guam Agricultural Land (copy attached), it would be appropriate to designate this lot as Agricultural Development Land and proceed with the proposed long term agricultural land lease.

Thank you for the opportunity to review and comment of this case.


FRED M. CASTRO
Administrator

Attachment

RULES AND REGULATIONS GOVERNING AGRICULTURAL CHEMICAL
USE BY LEASEES OF GOVERNMENT OF GUAM AGRICULTURAL LAND

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 6. Any spills, loss or problems with the storage or use of agricultural chemicals outside the containment structure must be reported to Guam E.P.A. as soon as possible. Major spills of concentrated pesticides (8 ounces or more) are to be reported to Guam E.P.A. immediately.
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 8. Noncompliance with these conditions can result in cancellation of the Agricultural Land Lease under terms of Public Laws 15-18 and may result in prosecution under Guam E.P.A. Rules and Regulations.
-

CASH PROVIDED
 Net Income After Taxes (GEDA-16)
 Add Back Depreciation
 & Amortization
 Equity
 GEDA (Proposed Lat.)

1. TOTAL
 CASH DISBURSED
 Equipment
 Contracts
 Notes
 Increase In Inventories

	First Six Months Activity						Six Months Total
	1	2	3	4	5	6	
CASH PROVIDED	\$17,250	\$12,200	\$ 2,800	\$ 2,800	\$ 2,800	\$ 2,800	\$25,250
Add Back Depreciation & Amortization	2000	2000	2000	2000	2000	2000	12,000
Equity	20000						20000
1. TOTAL	\$19,250	\$14,200	\$ 4,800	\$ 4,800	\$ 4,800	\$ 4,800	\$18,850
CASH DISBURSED							
Equipment	\$200,000	\$	\$	\$	\$	\$	\$200,000
Contracts							
Notes							
Increase In Inventories							
2. TOTAL	\$200,000	\$	\$	\$	\$	\$	\$200,000
3. CASH AVAILABLE (1 minus 2)	\$	\$	\$ 4,800	\$ 4,800	\$ 4,800	\$ 4,800	\$
4. CASH DEFICIT (2 minus 1)	\$ 15,750	\$ 15,200	\$	\$	\$	\$	\$ 11,150
5. CUMULATIVE (REQ/SURPLUS)	\$ 15,750	\$ 30,950	\$ 25,150	\$ 20,350	\$ 15,550	\$ 10,750	\$ 11,250

NOTES: (1) Exclude loans, advances, investment, etc. not already formalized and completed.
 (2) Round off all figures to even dollar amounts.
 (3) No not fill in both lines 3 and 4, only one or the other for each period.

GEDA-17 (Revised 11/88)

CASH PROVIDED
Net Income After Taxes (GEDA-16)

Add Back Depreciation
& Amortization

Equity

GEDA (increased loan)

1. TOTAL
CASH DISBURSED
Equipment
Contracts
Notes
Increase in Inventories

2. TOTAL
3. CASH AVAILABLE (1 minus 2)
4. CASH DEFICIT (2 minus 1)
5. CUMULATIVE (REQ/SURPLUS)

	First Six Months	Second Six Months	First Year	Second Year	Third Year	Fourth Year	Fifth Year
CASH PROVIDED	\$ 25,200	\$ 16,800	\$ 42,000	\$ 17,800	\$ 10,800	\$ 11,800	\$ 11,800
Add Back Depreciation & Amortization	12,000	12,000	24,000	24,000	24,000	24,000	24,000
Equity							
<u>GEDA (increased loan)</u>			200,000				
1. TOTAL	\$ 188,800	\$ 284,800	\$ 217,000	\$ 34,800	\$ 34,800	\$ 34,800	\$ 34,800
CASH DISBURSED	\$ 200,000	\$	\$ 200,000	\$	\$	\$	\$
Equipment		\$ 4,000	\$ 4,000	\$ 14,400	\$ 14,400	\$ 14,400	\$ 14,400
Contracts							
Notes							
Increase in Inventories							
2. TOTAL	\$ 268,800	\$ 284,800	\$ 221,000	\$ 14,400	\$ 14,400	\$ 14,400	\$ 14,400
3. CASH AVAILABLE (1 minus 2)	\$	\$ 104,000	\$ 96,000	\$ 18,400	\$ 18,400	\$ 18,400	\$ 18,400
4. CASH DEFICIT (2 minus 1)	\$ 112,000	\$	\$	\$	\$	\$	\$
5. CUMULATIVE (REQ/SURPLUS)	\$ 112,000	\$ 9,200	\$ 9,200	\$ 27,200	\$ 45,200	\$ 63,200	\$ 81,200

NOTES: (1) Exclude loans, advances, investment, etc. not already formalized and committed.
(2) Round off all figures to even dollar amounts.
(3) Do not fill in both lines 3 and 4, only one or the other for each period.

GEDA-17 (Revised 11/88)

SALES OR INCOME
 COST OF SALES OR MANUFACTURING
 OTHER INCOME

GROSS PROFIT

OPERATING EXPENSES
 Wages and Salaries
 Number of Employees

Utilities

Insurance

Rent

Depreciation and Amortization

Maintenance and Repairs

Supplies / Fuel

Professional Services

~~Interest~~ ~~Wages and Salaries~~ ~~Number of Employees~~

Interest

TOTAL OPERATING EXPENSES

NET INCOME BEFORE TAXES

INCOME TAXES

NET INCOME AFTER TAXES

NOTE: (1) Attach supporting schedules for sales and cost of sales. (2) Round off all figures to even dollar amounts.
 CEDA-16 (Revised 11/88)

	FIRST SIX MONTHS ACTIVITY						Six Months Total
	1	2	3	4	5	6	
SALES OR INCOME	\$ 000	\$ 000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 80,000
COST OF SALES OR MANUFACTURING							
OTHER INCOME							
GROSS PROFIT	\$ 000	\$ 000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 80,000
OPERATING EXPENSES							
Wages and Salaries	\$ 11,000	\$ 14,000	\$ 14,000	\$ 11,000	\$ 11,000	\$ 11,000	\$ 64,000
Number of Employees	12	12	12	12	12	12	12
Utilities	400	400	400	400	400	400	2,400
Insurance	100	100	100	100	100	100	600
Rent	200	200	200	200	200	200	1,200
Depreciation and Amortization	2,000	2,000	2,000	2,000	2,000	2,000	12,000
Maintenance and Repairs	500	500	500	500	500	500	3,000
Supplies / Fuel	1,000	1,000	1,000	1,000	1,000	1,000	6,000
Professional Services	2,000	2,000	2,000	2,000	2,000	2,000	12,000
Interest							
TOTAL OPERATING EXPENSES	\$ 17,200	\$ 17,200	\$ 17,200	\$ 12,200	\$ 17,200	\$ 17,200	\$ 103,200
NET INCOME BEFORE TAXES	\$ (17,200)	\$ (17,200)	\$ 2,800	\$ 2,800	\$ 2,800	\$ 2,800	\$ (25,200)
INCOME TAXES							
NET INCOME AFTER TAXES							

SALES OR INCOME
 COST OF SALES OR MANUFACTURING
 OTHER INCOME

GROSS PROFIT
 OPERATING EXPENSES
 Wages and Salaries
 Number of Employees

Utilities
 Insurance
 Rent

Depreciation and Amortization
 Maintenance and Repairs
 Supplies

Professional Services
 Interest

TOTAL OPERATING EXPENSES
 NET INCOME BEFORE TAXES
 INCOME TAXES
 NET INCOME AFTER TAXES

NOTE: (1) Attach supporting schedules for sales and cost of sales. (2) Round off all figures to even dollar amounts.
 CFDA-16 (Revised 11/88)

	First Six Months	Second Six Months	First Year	Second Year	Third Year	Fourth Year	Fifth Year
SALES OR INCOME	\$ 61,500	\$ 120,000	\$ 200,000	\$ 310,000	\$ 310,000	\$ 310,000	\$ 310,000
COST OF SALES OR MANUFACTURING							
OTHER INCOME							
GROSS PROFIT	\$ 60,000	\$ 120,000	\$ 200,000	\$ 310,000	\$ 310,000	\$ 310,000	\$ 310,000
OPERATING EXPENSES	\$ 66,000	\$ 66,000	\$ 132,000	\$ 264,000	\$ 264,000	\$ 264,000	\$ 264,000
Wages and Salaries	12,000	24,000	48,000	96,000	96,000	96,000	96,000
Number of Employees	615	600	1,200	1,200	1,200	1,200	1,200
Utilities	1,200	2,400	4,800	9,600	9,600	9,600	9,600
Insurance	1,200	2,400	4,800	9,600	9,600	9,600	9,600
Rent	12,000	24,000	48,000	96,000	96,000	96,000	96,000
Depreciation and Amortization	12,000	24,000	48,000	96,000	96,000	96,000	96,000
Maintenance and Repairs	3,000	6,000	12,000	24,000	24,000	24,000	24,000
Supplies	6,000	12,000	24,000	48,000	48,000	48,000	48,000
Professional Services	12,000	24,000	48,000	96,000	96,000	96,000	96,000
Interest							
TOTAL OPERATING EXPENSES	\$ 103,200	\$ 103,200	\$ 206,400	\$ 349,200	\$ 349,200	\$ 349,200	\$ 349,200
NET INCOME BEFORE TAXES	\$ (23,200)	\$ 16,800	\$ (4,400)	\$ 10,800	\$ 14,800	\$ 10,800	\$ 14,800
INCOME TAXES							
NET INCOME AFTER TAXES	\$	\$	\$	\$	\$	\$	\$

Section 7
Section 8
Section 9
Section 10
Section 11 Transfers or encumbrances; approval required.
Section 12 Required annual financial statement.
Section 13 Ratification of leases entered after January 1, 1975.
Section 14 Termination of Sections 1 through 13 of this Act.

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

Section 1. Agricultural Leases. Agricultural Land Available for Lease: Selection. The Department of Land Management, subject to approval by the Governor, is authorized to declare available for lease under the provision of this Act government real property as may be suitable for agriculture and which is not required for public use or reserved for other purposes by any other provision of law. Such land shall then be transferred for administrative purposes to the Department of Agriculture for lease in accordance with the provisions of this Act to qualified persons for the purposes of agriculture. The provisions of Chapter VI of this Title shall not apply to any leases executed hereunder.

Section 2. Definitions. As used in this Act, the term "agriculture" shall include also grazing, stock raising and aquaculture. References to the Department of Agriculture or Director of Agriculture shall be construed to mean any successor to said department or director.

Section 3. Regulation by Department of Agriculture. The Department of Agriculture shall process all applications for lease made under the provisions of this Act. It shall determine the best agricultural uses for which the available land should be put and the size of the tracts to be leased, keeping in mind that successful commercial production on such government land is desired by the Legislature and that, therefore, the parcels should be large enough to make such production possible.

Section 4. Eligibility. Any person who is a citizen of the United States and of legal age, any corporation authorized to do business in the territory of Guam and authorized by its articles of incorporation to engage in agriculture and any partnership, limited or general, licensed to do business in the territory of Guam, shall, in accordance with the provisions of this Act, be eligible to lease government of Guam land for agriculture purposes. No such person, corporation or partnership shall be eligible to lease more than one tract.

Section 5. Application for Leases. Application for leases of agricultural land hereunder shall be made to the Department of Agriculture. The application shall be made in such form as the Director of Agriculture, with the approval of the Governor, shall by rule or regulation prescribe, and the application shall contain such data as the director, with the approval of the Governor, may, by rule or regulation, require.

Section 6. Approval. The Department of Agriculture shall verify the eligibility of the applicant and all essential facts set forth by the applicant. The department shall then approve or disapprove the application in accordance with such reasonable standards as the director, with the approval of the Governor, may prescribe by rule or regulation, not inconsistent with law. Such standards shall include the previous experience and background in agriculture of the applicant, the financial ability of the applicant insofar as his ability to make maximum productive use of the land leased is concerned, the proposed investment of the applicant and the local need and marketability of the crop or other agricultural product to be raised or derived from the land to be leased, it being the intent of the Legislature that agricultural land belonging to the government be leased to those who will make maximum productive use thereof.

Section 7. Form of Lease. Upon approval of the application and approval of the Legislature as required by P.L. No. 12-81, the Governor shall execute a lease with the applicant, in a form approved by the Attorney General, which, among other lease provisions, shall include the following:

- (1) The maximum term shall be fifty (50) years, to be divided into ten (10) year increments, renewable at the option of the lessee.
- (2) No rent shall be collected for the first five (5) years operation under the lease and thereafter, rent will be due on an annual basis at the end of the sixth year and those years following.

Section 8. Rent. The amount of rent due shall be established by using a schedule to be promulgated by the director, with the approval of the Governor, which shall operate in inverse proportion to the investment made on the lease land, as such investment is certified by the Department of Agriculture. The director, in establishing the schedule, shall attempt to award thereby those lessees who make maximum investment in the leased land and penalized those who make the least. In no event, however, shall the annual rent exceed six percent (6%) of the fair market value of the land at the time of the execution of the lease.

Section 9. Cancellation. The government of Guam shall reserve the right to cancel at any time, any lease executed hereunder if the lessee is not using the land for the purpose for which leased, unless good cause for such failure can be shown, except that no lease can be cancelled without a hearing thereon pursuant to the provisions of the Administrative Adjudication Act.

Section 10. Taxes. During the first five (5) years of occupancy of government real property under an agricultural lease executed pursuant to the provisions of this Act, the said land shall not be subject to real estate taxes, except that any improvements shall be taxed in the same manner as any other private property. At the end of the first five (5) years, both the leasehold interest as well as the improvements shall be subject to real estate taxes.

Section 11. Transfers or Encumbrances: Approval Required. (a) No rights derived from any lease executed under the provisions of this Act shall be assigned, sold, subleased, encumbered or hypothecated with approval of the Director of Agriculture unless such encumbrance is in accordance with the provisions of Subsection (b) of this Section.

(b) A lessee may obtain a purchase money mortgage for improvement to the leased property. If such mortgage is obtained, then transfer of the title of the lease is authorized to the mortgage provided the property is continued to be used in accordance with the provisions of this Act. Provided further, that the term of any mortgage may not extend beyond the maximum period which the lessee may renew his lease.

(c) Subsection (b) of this Section is adopted because the Legislature finds that the lessees of agricultural land have had considerable difficulty in improving the property so that they can have a decent place to live. The Legislature finds that the main reason for the difficulty is inability to obtain adequate financing and the Legislature finds that if the lessees were permitted to mortgage their own homes, this problem would be greatly alleviated. The Legislature further finds that lessees of government land at the GHURA 500 low cost housing project are permitted to mortgage their property in a manner outlined in Subsection (b) of this Section. The Legislature, therefore, concludes that the lessees of agricultural land should be permitted to mortgage their homes in order to improve their property.

Section 12. Annual Financial Statement. Every lessee under a lease executed pursuant to provisions of this Act shall annually submit to the Department of Agriculture a financial statement and report setting forth in detail the improvements on and the income derived from the leased land. The Director, with the approval of the Governor, prescribe by rule or regulation, the form of the financial statement and the data required.

Section 13. Public Law No. 12-225 repealed authority for agricultural leases effective January 1, 1975. During the time between the effective date of this Act and January 1, 1975, numerous agricultural leases have been entered by the government of Guam. Such leases may be in violation of the provisions of Chapter VI of Title XIV of the Government Code relating to the Chamorro Land Trust Commission. All agricultural leases entered between the government of Guam and any person after January 1, 1975 and prior to the effective date of this Act are ratified and shall remain in effect according to the terms of said leases notwithstanding any provision of law to the contrary.

Section 14. Sections 1 through 13 of this Act are repealed upon the convening of the Chamorro Land Trust Commission as provided in Chapter VI of Title XIV of the Government Code.

FISCAL NOTE
BUREAU OF BUDGET & MANAGEMENT RESEARCH

1990-91

Bill No. 1232

Date Received May 1, 1990

Amendatory Bill Yes No

Date Reviewed May 9, 1990

Department/Agency Affiliated: Land Management

Department/Agency Head: Francisco Castro

Total Fiscal Year Appropriation: \$2,392,125

Bill Title (concise): An act to authorize the Governor of Guam to lease a portion of Government Land for Agricultural Development.

Change in Law: N/A

Bill Attempts to:

Bill is for:

- Increase Program Funding
- Decrease Program Funding
- Reallocate Present Program Funding

- Operations
- Capital Improvement
- Other

FINANCIAL/PROGRAM IMPACT

<u>PROGRAM CATEGORIES</u>	<u>Minimum Estimated Required Funds (For Five Years)</u>		
	<u>GENERAL FUND</u>	<u>FEDERAL</u>	<u>OTHER</u>
<u>Natural Resources Recreation and Arts</u>	<u>N/A</u>		
<u>GRAND TOTAL</u>			

ESTIMATED MULTI-YEAR FUND REQUIREMENTS

1st 2nd 3rd 4th 5th

STATE OF ALABAMA

That the proposed bill will result in a positive impact on the General Fund. The bill will be generated through an amended long-term rent agreement.

According to Section 10-1-10, the amount of rent for a lease shall be determined in accordance with Section 10-1-10 of P.L. 19-19. This law states that the annual rent shall not exceed six percent (6%) of the fair market value of the land at the time of the execution of the lease. It should be noted that the Bill does not state that the current fair market value will be based on an appraisal by a duly authorized land appraiser.



SECRET

SYMBOLS:

- CONC. MON. FOUND, SET BY RLS #64 DOC. 378730
- ▣ CONC. MON. FOUND, SET BY RLS #18 DOC. 32662
- REBAR FOUND, SET BY RLS #14 DOC. 343360
- REBAR FOUND, SET BY GOV-GUAM DOC. 369914
- ⊙ REBAR FOUND, SET BY GOV-GUAM DOC. 328878 & 319771
- ⊙ REBAR FOUND, SET BY GOV-GUAM DOC. 317893
- ⊙ REBAR FOUND, SET BY GOV-GUAM DOC. 317819
- CORNER NOT RETRACED
- ▲ GGTN TRIANGULATION STATION

ADJACENT PROPERTIES

LOT NO.	DEED	OWNER
7157	DOC. #319771 & 328878	GOVERNMENT OF GUAM
7160	DOC. #319771 & 328878	GOVERNMENT OF GUAM
7156	DOC. #317893	GOVERNMENT OF GUAM
7153	DOC. #317819	GOVERNMENT OF GUAM
10157	DOC. #378730	GOVERNMENT OF GUAM
TRACT NO. 542 DOC. #241835		
46	CT. #78971	BILLY & ELENA B. PASCUA SAMSON B. & ANTONINA O MENDOZA
47	DOC. #241835	JOSE C. CASTRO
48	DOC. #358657	SIMEON A. & LUCIA A CABRERA
49	CT. #79350	VIRGILIO C. IGNACIO & LUZVISMIN O. IGNACIO
50	CT. #77392	LEONARDO B. FUA & HERMINIA G. FUA
51	DOC. #358657	JOSE C. CASTRO
52	CT. #76890	ROMEO F. & BELENDA M. FONTECHA, MARCELINO M. & HERMINIA B. ESTIMADA, CANDIDO D. JUNO & YENITA JOSE
53	DOC. #359300	ARNEL A. & RUBEN A. OANCEL JULIANA G. GATTOC
10093-5-5	CT. #76388	JOSEPH C. WHITE & DORIS C. WHITE
10093-6-4	DOC. #345373	MATILDE C. WHITE
10083-5-3	DOC. #342891	ANA C. TAITANO
10083-5-2	DOC. #342891 & 354105	ANA C. TAITANO
10083-5-4	DOC. #342891	ANA C. TAITANO
10154-5	DOC. #369914	GOVERNMENT OF GUAM

Introduced

TWENTY FIRST GUAM LEGISLATURE
1991 (FIRST) Regular Session

APR 03 '91

Bill No.

214 (COR)

CTC Gutierrez

CTC

Introduced by:

AN ACT TO AUTHORIZE THE GOVERNOR OF GUAM
TO LEASE A PORTION OF GOVERNMENT LAND FOR
AGRICULTURAL DEVELOPMENT.

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

2 Section 1. Notwithstanding any other provision of law, the
3 Governor of Guam is authorized to lease Lot No. 7159, containing
4 an area of 484,217+ square meters and situated between the
5 municipalities of Dededo and Yigo and particularly described on
6 Land Management Drawing No. I4-87T286 prepared by the government
7 of Guam Land Survey Division, to Felix P. Quan for the purpose
8 of developing a fruit and vegetable plantation. The length of
9 the term of any lease executed pursuant to this Section and the
10 amount of rent due such lease shall be determined in accordance
11 with Sections 7 and 8 of Public Law 15-18. The lease be
12 executed regardless of whether title to the land to be leased
13 has been registered.

14 The Governor shall execute all instruments necessary to
15 such lease transaction which lease the Legislature hereby
16 approves with the following provisions:

- 17 1. the government will not be liable to the lessee for
18 any damages in the event that any portion of the land
19 leased is determined not to be owned by the government

- 1 of Guam; and
- 2 2. if at any time the land leased is no longer being used
- 3 for the purposes authorized pursuant to this Section,
- 4 the land shall revert to the government of Guam; and
- 5 3. if the land lies idle for five (5) years, it shall
- 6 revert to the government of Guam; and
- 7 4. the lease shall terminate if any topsoil or coral is
- 8 removed from the land for profit; and
- 9 5. any topsoil or coral removed from the land for the
- 10 purpose of clearing the land shall be and remain the
- 11 property of the government of Guam.