





OFFICE OF THE GOVERNOR TERRITORY OF GUAM

# DEC 1 2 1995

The Honorable Ted S. Nelson Acting Speaker Twenty-Third Guam Legislature Guam Legislature Temporary Building 155 Hesler Street Agana, Guam 96910

OFFICE OF THE LEGISLATIVE SECRETARY ACKNOWLEE	
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Time Date12/14/95	

Dear Speaker Nelson:

Enclosed please find a copy of Bill No. 256 (LS), "AN ACT TO AMEND SECTION 9 OF PUBLIC LAW 21-129 IN ORDER TO CORRECT AN OVERSIGHT SO THAT MANU MELWANI MAY PURCHASE IN AGANA 19 SQUARE METERS OF GOVERNMENT LAND, ALL OF WHICH IS SURROUNDED BY LAND ALREADY OWNED BY MR. MELWANI AND WHICH WOULD OTHERWISE MAKE BOTH MR. MELWANI'S LAND AND THE GOVERNMENTS WHOLLY UNDEVELOPABLE", which has been enacted into law without the signature of the Governor.

Bill No. 256 (LS) is now numbered Public Law No. 23-66.

Very truly yours,

andallo Madeleine Z. Bordallo

Acting Governor of Guam

Attachment **230904** 

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#### TWENTY-THIRD GUAM LEGISLATURE 1995 (FIRST) Regular Session

#### CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

This is to certify that Bill No. 256 (LS), "AN ACT TO AMEND SECTION 9 OF PUBLIC LAW 21-129 IN ORDER TO CORRECT AN OVERSIGHT SO THAT MANU MELWANI MAY PURCHASE IN AGANA 19 SQUARE METERS OF GOVERNMENT LAND, ALL OF WHICH IS SURROUNDED BY LAND ALREADY OWNED BY MR. MELWANI AND WHICH WOULD OTHERWISE MAKE BOTH MR. MELWANI'S LAND AND THE GOVERNMENTS WHOLLY UNDEVELOPABLE," was on the 22nd day of November, 1995, duly and regularly passed.

DON PARKINSON Speaker

Attested:

JUDITH WON PAT-BORJA Senator and Legislative Secretary

Assistant Staff Officer Governor's Office

APPROVED:

CARL T. C. GUTIERREZ Governor of Guam

Date: December 12, 1995

Public Law No. 23-66 (Became law without Governor's signature)



#### TWENTY-THIRD GUAM LEGISLATURE 1995 (FIRST) Regular Session

Bill No. 256 (LS)

Introduced by:

D. Parkinson T. C. Ada I.P. Aguon E. Barrett-Anderson A.C. Blaz F. P. Camacho H. A. Cristobal M. Forbes A. C. Lamorena V C. Leon Guerrero L. Leon Guerrero S. L. Orsini V. C. Pangelinan J. T. San Agustin F. E. Santos A. R. Unpingco

AN ACT TO AMEND SECTION 9 OF PUBLIC LAW 21-129 IN ORDER TO CORRECT AN OVERSIGHT SO THAT MANU MELWANI MAY PURCHASE IN AGANA 19 SQUARE METERS OF GOVERNMENT LAND, ALL OF WHICH IS SURROUNDED BY LAND ALREADY OWNED BY MR. MELWANI AND WHICH WOULD OTHERWISE MAKE BOTH MR. MELWANI'S LAND AND THE GOVERNMENTS WHOLLY UNDEVELOPABLE.

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

2 Section 1. Statement of Legislative intent. Section 9 of Public Law 21-

- 3 129 was intended to authorize the Governor to sell to Mr. Manu Melwani,
- 4 United States Citizen and Guam resident, a substandard parcel of real

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property in Agana which is adjacent to or contiguous with Melwani's
 properties. The subject property for sale is shown on Drawing PRB 92-165,
 which is recorded at the Department of Land Management as Instrument
 No. 491876. The property is described in Public Law 21-129 as "Lot No. 839-1 2, said to contain an aggregate area of 371.46 square meters".

6 Because of an oversight, the description of the subject property to be sold did not include a parcel of approximately nineteen (19) square meter, 7 identified as Lot No. 840-2-1, which is surrounded by property already owned 8 by Mr. Melwani or a corporation controlled by him and did not correctly 9 10 describe the 371.46 square meters. If Lot 840-2-1 remains as a substandard government property, the government of Guam will be unable to improve it. 11 12 However, sale of this parcel to Mr. Melwani will enable consolidation of the 13 properties into a usable parcel of larger dimensions. Mr. Melwani has 14 already paid \$3,450.00 to the government of Guam for the 19 square meters of 15 land and has paid the appraised value of the 371.46 square meters.

Additionally, Mr. Melwani has requested for the removal of the reversionary clause in Public Law 21-129, because it inhibits his ability to secure mortgage financing from lending institutions for construction of a commercial building, as cited in the same public law.

It is the intent of the Legislature to correct the oversight and grant authorization for the Governor to correct the description, to sell the remaining substandard property, and to modify the reversion clause so that Mr. Melwani can secure financing for his building project.

Section 2. Subsections (a), (b), and (e) of Section 9 of Public Law 21-129
are amended to read:

26 "(a) Legislative Intent. The Legislature has been approached by the
27 owner of Lots 831-1-2-2-R1 and 840-2-R1 and Lot 7, Block 5, New Agana,

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e .•

with a request that Manu Melwani purchase substandard parcels of the 1 2 government property, namely, Lots 81-REM, Marine Drive and 840-2-1, said to contain an aggregate area of approximately 392 square meters 3 (collectively, the "Property"). It is Legislature's intent that as a result of the 4 contemplated sale, Mr. Melwani will be afforded the opportunity to purchase 5 Lot 840-2-1 and Lot 81-REM, Marine Drive, which, as shown on Drawing 6 PRB 92-165 recorded in the Department of Land Management as Instrument 7 491876, contains Portion A of Lot 81, Portion B of Lot 81, Lot 839-1-2, a 8 9 Portion of Lot 832-1-2, and Lot 831-1-2-2-1. The purchase of the Property is 10 requested in order to consolidate all of the lots into a usable parcel of larger 11 dimensions. The owner contemplates building thereon a commercial building 12 with professional office space. The Legislature finds that such a plan would 13 put the Property to its best and most beneficial use. Likewise, the Legislature 14 finds that the real property taxes to be gained from the sale of the Property 15 and the eventual consolidation of the lots far outweigh having the Property 16 lie idle and without utilities because of its substandard size.

(b) Sale Authorized. The Governor is hereby authorized to sell at fair
market value Lots 81-REM, Marine Drive and 840-2-1, said to contain an
aggregate area of approximately 392 square meters, to Manu Melwani (the
"Buyer"), the owner of or the controlling shareholder of the contiguous Lots
831-1-2-2-R1 and 840-2-R1 and Lot 7, Block 5, New Agana.

(e) Reversionary Clause. Except for a bonafide mortgage for purposes of improving the property, executed in favor of a bank, savings and loan or a financial institution licensed to do business on Guam, title and ownership for the Property sold hereunder must remain with the Buyer for a period of ten (10) years. In the event that such title and ownership are conveyed or otherwise transferred to another, the title and ownership of the Property



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shall revert to the government of Guam, except upon mortgage foreclosure
 sale of the foregoing Property pursuant to the foregoing authorized
 mortgage."

4 Section 3. A new subsection (f) is hereby added to Section 9 of Public
5 Law 21-129 to read:

6 "(f) All proceeds from the sale of land authorized in Section 9 shall be
7 promptly deposited in the Chamorro Land Trust Commission's Chamorro
8 Home Loan Fund."

## TWENTY-THIRD GUAM LEGISLATURE

1995 (FIRST) Regular Session

Date: 11/22/95

**VOTING SHEET** 

paddac.

Bill No. 256

Resolution No. \_\_\_\_\_ Question: \_\_\_\_\_ Question:

NOT ABSENT/ NAYS YEAS VOTING/ **OUT DURING** NAME ABSTAINED ROLL CALL ADA, Thomas C. AGUON, John P. 1 BARRETT-ANDERSON, Elizabeth ~ BLAZ, Anthony C. M ------BROWN, Joanne S. 111 44 CAMACHO, Felix P. 11 --11 CHARFAUROS, Mark C 1 CRISTOBAL, Hope A. / FORBES,~MARK ~ LAMORENA, Alberto C., V ----LEON GUERRERO, Carlotta -LEON GUERRERO, Lou NELSON, Ted S. 11 1 ORSINI, Sonny L. **PANGELINAN, Vicente C** PARKINSON, Don SAN AGUSTIN, Joe T. SANTOS, Angel L. G. SANTOS, Francis E. -UNPINGCO, Antonio R. 111 WONPAT-BORJA, Judith 14 5 OTOTAL

**CERTIFIED TRUE AND CORRECT:** 

\* 3 proces

**Recording Secretary** 



September 7, 1995

Speaker Don Parkinson Twenty-Third Guam Legislature 155 Hesler Street Agana, Guam 96910

Dear Mr. Speaker:

The Committee on Community, Housing and Cultural Affairs, to which was referred Bill No. 256, hereby reports back to the Legislature with its recommendation **TO DO PASS Bill No. 256, -** "An act to amend Section 9 of the Public Law 21-129 in order to correct and oversight so that Manu Melwani may purchase in Agana 19 square meters of government land, all of which is surrounded by land already owned by Mr. Melwani and which would otherwise make both Mr. Melwani's land and the Government's wholly undevelopable."

The voting record is as follows:

TO PASS	<u>7</u>
NOT TO PASS	<u>1</u>
ABSTAIN	<u>0</u>
INACTIVE FILE	<u>2</u>

The Committee Report and supporting documents are attached.

Cap 4 ANGEL L.G. SANTOS

Attachments

#### COMMITTEE ON COMMUNITY, HOUSING, AND CULTURAL AFFAIRS 23rd Guam Legislature VOTING RECORD

**Bill No. 256** - An act to amend Section 9 of the Public Law 21-129 in order to correct an oversight so that Manu Melwani may purchase in Agana 19 square meters of government land, all of which is surrounded by land already owned by Mr. Melwani and which would otherwise make both Mr. Melwani's land and the Government's wholly undevelopable.

	TO <u>PASS</u>	NOT TO <u>PASS</u>	ABSTAIN	INACTIVE <u>FILE</u>
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PARKINSON, Don, Ex-Officio				

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Ufisinan I TaoTao Tano' Senator Angel L.G. Santos

Chairman, Committee on Community, Housing, and Cultural Affairs 23rd Guam Legislature

July 31, 1995

#### **MEMORANDUM**

- TO: Members
- FROM: Chairman
- SUBJECT: Committee Report on **Bill No. 256** An act to amend Section 9 of the Public Law 21-129 in order to correct an oversight so that Manu Melwani may purchase in Agana 19 square meters of government land, all of which is surrounded by land already owned by Mr. Melwani and which would otherwise make both Mr. Melwani's land and the Government's wholly undevelopable.

Transmitted herewith for your consideration and action is our Committee Report on the subject matter.

Please indicate your choice on the attached VOTING RECORD and return the documents to my office for transmittal to the other members.

Should you have any questions on the narrative report or the accompanying documents, I would be most happy to answer any of them.

Your attention and cooperation in this matter are greatly appreciated.

ANGEL L.G. SANTOS attachments



Commonwealth Pa'go!

Amendatory Bill	YES 📈	NO []			te Received	
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# COMMITTEL ON COMMUNITY, HOUSING, AND CULTURAL AFFAIRS Twenty-Third Guam Legislature



# REPORT

### on

Bill No. 256

An act to amend Section 9 of the Public Law 21-129 in order to correct an oversight so that Manu Melwani may purchase in Agana 19 square meters of government land, all of which is surrounded by land already owned by Mr. Melwani and which would otherwise make both Mr. Melwani's land and the Government's wholly undevelopable.

# July 31, 1995

COMMITTEE MEMBERS Angel L.G. Santos, Chairman Mark C. Charfauros, Vice-Chairman Thomas C. Ada Anthony C. Blaz Hope A. Cristobal Mark Forbes Alberto Lamorena V Carlotta Leon Guerrero Lou Leon Guerrero Vice Speaker Ted S. Nelson Vicente C. Pangelinan Judy Won Pat-Borja Speaker Don Parkinson, Ex-Officio

#### I. OVERVIEW



The Committee on Community, Housing and Cultural Affairs conducted a public hearing on June 26, 1995 at 10:00 AM at the Legislative Public Hearing Room, Agana, to receive public input on Bill No. 256. Public notice was given in the Pacific Daily News on June 21, 1995.

Originally scheduled for June 23, 1995, this hearing was rescheduled because the Speaker, on June 22nd, called a special session for the next day. Due to the short suspense time, a press release was issued to alert the public of the change and the affected parties were notified by telephone.

Committee members present were: Senator Angel Santos, Chairman Senator Ted Nelson Senator Anthony Blaz Senator Carlotta Leon Guerrero

Appearing to testify in support of the Bill were: Ernie Santos, Department of Land Management Dr. David L.G. Shimizu, LHN Manu Melwani, PATIE.

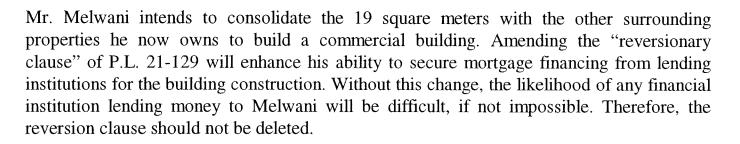
Submitting written testimony in support was: Marilyn D.A. Manibusan, Manibusan and Associates

#### II. SUMMARY OF THE HEARING

Department of Land Management expressed no objection to the land sale.

Dave Shimizu testified that the Bill would finally solve a long-standing problem that will be a win-win conclusion for both the government and a hard-working member of the business community, Mr. Melwani. The Bill will allow Melwani to purchase a sliver of substandard land that is currently of no major benefit to the government. A similar measure in the 22nd Legislature, Bill 1197, was publicly heard and reported out of committee favorably but time expired on that Legislature.

The sliver of substandard property in question is currently land-locked with surrounding properties all belonging to Mr. Melwani, causing the land to be idle with minimal value to the government of Guam. Payment in the amount of \$3, 450 was made in good faith to the Department of Land Management for the purchase of 19 square meters prior to the finding that said sliver of land was mistakenly not included when Public Law 21-129 was passed on July 16, 1992.



Former senator Manibusan's testimony mirrored former senator Dave Shimizu's. Ms. Manibusan authored the bill to facilitate this particular transaction. However, her bill did not indicate the total area for sale. In addition, her bill was attached to Bill 824 as a rider and that Bill became P.L. 21-129. Former senator George Bamba also tried to correct the lot size error during the 22nd Legislature but his bills languished in committee.

#### **III. FINDINGS AND RECOMMENDATION**

Section 9 of Public Law 21-129 was intended to authorize the Governor to sell to Mr. Manu Melwani, U.S. citizen and Guam resident, a substandard parcel of real property in Agana which is adjacent to or contiguous with Melwani's properties. The subject property for sale is shown on Drawing PRB 92-165, which is recorded at the Department of Land Management as Instrument No. 491876. The property is described in Public Law 21-129 as "Lot No. 839-1-2, said to contain an aggregate area of 371.46 square meters."

Because of oversights both by Department of Land Management and the 21st Guam Legislature, the description of the subject property to be sold did not include a parcel of approximately nineteen (19) square meters, identified as Lot No. 840-2-1, which is surrounded by property already owned by Mr. Melwani or a corporation controlled by him and did not correctly describe the 371.4 square meters. If Lot 840-2-1 remains as a substandard government property, the government of Guam will be unable to improve it. However, sale of this parcel to Mr. Melwani will enable consolidation of the properties into a usable parcel of larger dimensions. Melwani has already paid \$3,450.00 to the government of Guam for the 19 square meters of land and has paid the appraised value of the 371.46 square meters.

Additionally, Mr. Melwani has requested for the removal of the reversionary clause in P.L. 21-129 because it inhibits his ability to secure mortgage financing from lending institutions for construction of a commercial building, as cited in the same public law.

Accordingly, the Committee on Community, Housing, and Cultural Affairs, to which was referred Bill No. 256, submits its findings and recommendation to the Twenty-Third Guam Legislature.







# **COMMITTEE ON RULES**

Twenty-Third Guam Legislature 155 Hesler St., Agana, Guam 96910

May 15, 1995

## **MEMORANDUM**

- **TO:** Chairman, Committee on Community, Housing and Cultural Affairs
- **FROM:** Chairman, Committee on Rules
- SUBJECT: Referral Bill No. 256

The above Bill is referred to your Committee as the principal committee. Please note that the referral is subject to ratification by the Committee on Rules at its next meeting. It is recommended you schedule a public hearing at your earliest convenience.

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Attachment

#### TWENTY THIRD GUAM LEGISLATURE 1995 (FIRST) REGULAR SESSION

Bill No. 236 Introduced By

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D. Parkinson

AN ACT TO AMEND SECTION 9 OF THE PUBLIC LAW 21-129 IN ORDER TO CORRECT AN OVERSIGHT SO THAT MANU MELWANI MAY PURCHASE IN AGANA 19 SQUARE METERS OF GOVERNMENT LAND, ALL OF WHICH IS SURROUNDED BY LAND ALREADY OWNED BY MR. MELWANI AND WHICH WOULD OTHERWISE MAKE BOTH MR. MELWANI'S LAND AND THE GOVERNMENT'S WHOLLY UNDEVELOPABLE.

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

1 Section 1. Statement of Legislative Intent. Section 9 of Public Law 21-129 was intended to 2 authorize the Governor to Sell to Mr. Manu Melwani, United States citizen and Guam resident, a 3 substandard parcel of real property in Agana which are is adjacent to or contiguous with Melwani's properties. The subject property for sale is shown on Drawing PRB 92-165, which is recorded at the 4 5 Department of Land Management as Instrument No. 491876. The property is described in Public 6 Law 21-129 as "Lot No. 839-1-2, said to contain an aggregate are of 371.46 square meters." 7 Because of an oversight, the description of the subject property to be sold did not include 8 a parcel of approximately nineteen (19) square meter, identified as Lot No. 840-2-1, which is 9 surrounded by property already owned by Mr. Melwani or a corporation controlled by him and did not correctly describe the 371.46 square meters. If Lot 840-2-1 remains as a substandard government 10 property, the government of Guam will be unable to improve it. However, sale of this parcel to Mr. 11 12 Melwani will enable consolidation of the properties into a usable parcel of larger dimensions. Mr.

- 1 Melwani has already paid \$3,450.00 to the government of Guam for the 19 square meters of land 2 and has paid the appraised value of the 371.46 square meters.
- Additionally, Mr. Melwani has requested for the removal of the reversionary clause in Public
   Law 21-129, because it inhibits his ability to secure mortgage financing from lending institutions for
   construction of a commercial building, as cited in the same public law.
- 6 It is the intent of the Legislature to correct the oversight and grant authorization for the 7 Governor to correct the description, to sell the remaining substandard property, and to modify the 8 reversion clause so that Mr. Melwani can secure financing for his building project.
- Section 2. Sections 9(a), 9(b) and 9(d) of Public Law 21-129 is amended to read: "Section 9 9. (a) Legislative intent. The Legislature has been approached by the owner of Lots Nos. 831-1-2-2-10 R1 and 840-2-R1 and Lot No. 7, Block 5, New Agana, with a request that Manu Melwani purchase 11 substandard parcels of the government property, namely, Lots Nos. 839-1-2 81-REM, Marine Drive 12 and 840-2-1, and Pazos Street said to contain an aggregate area of 371.46 approximately 392 square 13 meters (collectively, the "Property"). It is Legislature's intent that as a result of the contemplated 14 sale, Mr. Melwani will be afforded the opportunity to purchase Lot 840-2-1 and Lot 81-Rem, Marine 15 Drive, which, as shown on Drawing PRB 92-165 recorded in the Department of Land Management 16 as Instrument 491876, contains Portion A of Lot 81, Portion B of Lot 81, Lot 839-1-2, a Portion of 17 Lot 832-1-2, and Lot 831-1-2-2-1. The purchase of the Property is requested in order to consolidate 18 all of the lots into a usable parcel of larger dimensions. The owner than contemplates building 19 thereon a commercial building with professional office space. The Legislature finds that such a plan 20 would put the Property to its best and most beneficial use. Likewise, the legislature finds that the 21 22 real property taxes to be gained from the sale of the Property and the eventual consolidation of the 23 lots far outweighs having the Property lay lie idle and without utilities because of its substandard size. (b) Sale Authorized. The Governor is hereby authorized to sell at fair market value the 24

property Lots 81-REM, Marine Drive and 840-2-1 said to contain an aggregate area of approximately

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. 1	392 square meters to Manu Melwani (the "Buyer"), the owner of or the controlling shareholder of
2	the owner of, contiguous Lots Nos. 831-1-2-2-R1 and 840-2-R1 and Lot 7, Block 5, New Agana (the
3	<del>"Buyer")</del> .
4	(c) Appraisals. The two appraisals to be performed on the Property to be sold
5	hereunder shall be conducted by registered appraisers licensed to do business in Guam, at the
6	expense of the Buyer.
7	(d) Survey, mapping and registration. The survey, mapping and registration of the
8	Property sold hereunder shall be performed at the direction of Director of Land Management, at
9	the cost of Buyer.
10	(e) Reversionary clause. Except for a bona fide mortgage for purposes of improving the
11	property, executed in favor of a bank, savings and loan or a financial institution licensed to do
12	business on Guam, title and ownership for the Property sold hereunder must remain with the Buyer
13	for a period of ten (10) years. I the event that such title and ownership are conveyed or otherwise
14	transferred to another, the title and ownership of the Property shall revert to the government of
15	Guam, except upon mortgage foreclosure sale of the foregoing property pursuant to the foregoing
16	authorized mortgage."

# MANIBUSAN & ASSOCIATES

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June 26, 1995

The Honorable Angel Santos
Chairperson, Committee on Community, Housing and Cultural Affairs
23rd Guam Legislature
Government of Guam
Agana, Guam 96910

Dear Mr. Chairperson and Members of the Committee:

I am writing in support of Bill 256, a measure to correct an oversight that this Government has made in the land transaction of Mr. Manu Melwani.

I authored a bill to facilitate, on behalf of both the Government and Mr. Manu Melwani, the purchase by Mr. Melwani of substandard parcels of property owned by the Government of Guam. Mr. Melwani is the owner of the private properties abutting this government land and the purchase of this property will consolidate all of the lots into a usable parcel of a larger dimension. This piece of property is adjacent to the lot on which I was renting office space while I was in office. During the public hearing for such transaction, there was no indication at that time from the Department of Land Management that the total area of the government land to be transferred to Mr. Melwani under this transaction was inaccurate. There were also no objections from any witnesses or government agency. The Guam Legislature found that such a plan would put the property to its best and most beneficial use outweighing the idleness and non-utilization of the property by the government, and that real property taxes would be gained from the sale of this property.

This bill was later incorporated in Bill 824, sponsored by the late Senator Frank R. Santos, as Section 9 (a) through (e), and signed into law as P.L. 21-129. It was only after the bill became law that Mr. Melwani and the Department of Land Management discovered that the total area to be transferred was not reflected in the law, and a Deed could not be given to Mr. Melwani until a correction in the law was made. Moreover, Mr. Melwani showed good faith in our government by depositing with the Department of Land Management full payment for the additional property still yet to be transferred to Mr. Melwani. The Government's delay to bring this matter to an expeditious resolution has caused Mr. Melwani not only justified frustration and disappointment, but financial losses. The 22nd Guam Legislature, through Senator George Bamba, did introduce a bill to correct this oversight, but the bill languished in Committees of the last legislative body.

The Honorable Angel Santos June 23, 1995 Re: Bill No. 256

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Mr. Chairman and members of this Committee, the legal correction is in Bill 256 which is being heard today. I ask for your favorable consideration and support to do right and finally close this transaction. My testimony is given as a continuing public service, and not as a paid consultant. If you have any questions, or need further information, please give me a call. Si yuus maase!

Very truly yours,

Ji Marilyn

Marilyn D.A. Manibusan

MDAM:cc cc: Director John Martinez Department of Land Management

> Mr. Manu Melwani Pacific American Title Ins. & Escrow Co.

Page 2

June 26, 1995

Senator Angel L.G. Santos Chairman, Committee on Community, Housing and Cultural Affairs 23rd Guam Legislature 323 W. Soledad Ave. Agana, Guam 96910

Good Morning Mr. Chairman:

For the record, my name is Dr. David L.G. Shimizu and I am here today to testify in favor of Bill 256, as introduced by Speaker Don Parkinson.

Mr. Chairman, Si Yuos Maase for holding this public hearing that would finally solve a long standing problem that will be a win win conclusion for both the Government and a hard working member of the business community, namely Mr. Manu Melwani. Also, I wish to express my sincere appreciation to Speaker Don Parkinson for recognizing the need to resolve this issue by Sponsoring Bill 256.

Mr. Chairman, "Section 1. Statement of Legislative Intent", of Bill 256 provides an accurate testimony in support of granting Mr. Melwani the legal opportunity to purchase a sliver of substandard land that is currently of no major benefit to the Government. It also provides a brief litany of the chain of events that caused the oversight of the nineteen (19) square meters of land in Public Law 21-129. For the Committee's information, a similar Bill (#1197) was introduced on Nov. 29,1994; heard Dec. 22, 1994; and reported out favorably on Dec. 28, 1994 by the then Committee on Housing and Community Development, during the Twenty-Second Guam Legislature under the Chairmanship of Senator Edward D. Reyes. I have provided your office a copy of said Committee report.

Mr. Chairman, the sliver of substandard property in question is currently land locked with surrounding properties all belonging to Mr. Melwani, causing the land to be idle with minimal value to the Government of Guam. It should be noted that payment in the amount of \$3,800 was made in good faith to the Department of Land Management for the purchase of the nineteen (19) square meters prior to the findings that said sliver of land was mistakenly not included when Public Law 21-129 was passed on July 16, 1992.

It is the intent of Mr. Melwani to consolidate the nineteen (19) square meters with the other surrounding properties he now owns to build a commercial building. Amending the "Reversionary clause" of P.L. 21-129, to allow a bone fide mortgage for purposes of improving said property will enhance his ability to secure mortgage financing from lending institutions for the construction of a commercial building. Without this provision the likelihood of any financial institution lending Mr. Melwani funds to build his building will be difficult if not impossible. Therefore, modifying the Reversionary clause as written is an integral part of this bill and should not be deleted.

In closing, Mr. Chairman and members of the Committee, the passage of Bill 256 would not only correct a long standing problem, but it would also enhance the economic potential and utilization of the property, both to the mutual benefit of Mr. Melwani and the Government of Guam.

Again, Si Yuos Maase for allowing me to testify in support of Bill # 256.

Sincerely,

Dr. David L.G.Shimizu



Ufisinan I TaoTao Tano' Senator Angel L.G. Santos

Chairman, Committee on Community, Housing, and Cultural Affairs 23rd Guam Legislature

## WITNESS SIGN-IN SHEET

**Bill No. 256 -** An act to amend Section 9 of the Public Law 21-129 in order to correct an oversight so that Manu Melwani may purchase in Agana 19 square meters of government land, all of which is surrounded by land already owned by Mr. Melwani and which would otherwise make both Mr. Melwani's land and the Government's wholly undevelopable.

Public Hearing Friday, June 23, 1995, 10:00 AM Legislative Public Hearing Room 155 Hesler Street, Agana, GUAM

NAME (please print)	ORGANIZATION	ORAL/WRITTEN
ERMIE SHATUS	N.1. M.	OKAL
Dr. DAVIDLG. Shimizh	LHN	Okyl Weillen ORAL
MANU MELWANI.	P.A.T.I.E.	ORAL.
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Commonwealth Pa'go!



Ufisinan I TaoTao Tano'

Senator Angel L.G. Santos Chairperson, Committee on Community,

Housing & Cultural Affairs



June 22, 1995

#### MEMORANDUM

TO: Committee Members

FROM: Harold Cruz, Deputy Chief-of Staff

SUBJECT: Reschedule of Confirmation / Public Hearing

Due to Acting Speaker Nelson's call for a Special Session tomorrow, the Confirmation / Public Hearing schedule for June 23, 1995, at 10:00 a.m., has been reschedule for June 26, 1995, at 10:00 a.m. in the Legislative Session Hall.

Your cooperation is greatly appreciated.

Si Yu'os Ma'ase'!

Cruz

cc: All Senators Executive Director Protocol Audio Visual Legal Office Local Media



Ufisinan I TaoTao Tano'

Senator Angel L.G. Santos

Chairperson, Committee on Community , Housing & Cultural Affairs



June 22, 1995

#### MEMORANDUM

- TO: Acting Speaker, Ted S. Nelson
- FROM: Harold Cruz, Deputy Chief of Staff
- SUBJECT: Use of Legislative Session Hall

Senator Santos is requesting the use of the Legislative Session Hall on June 26, 1995, beginning at 10:00 a.m., lasting throughout the day.

This request is due to the Special Session you've called for June 23, 1995. Because of the Special Session, we've canceled our Confirmation and Public Hearing on proposed bills in order for the Senator to attend the Special Session.

Your favorable consideration and immediate response is most appreciated.

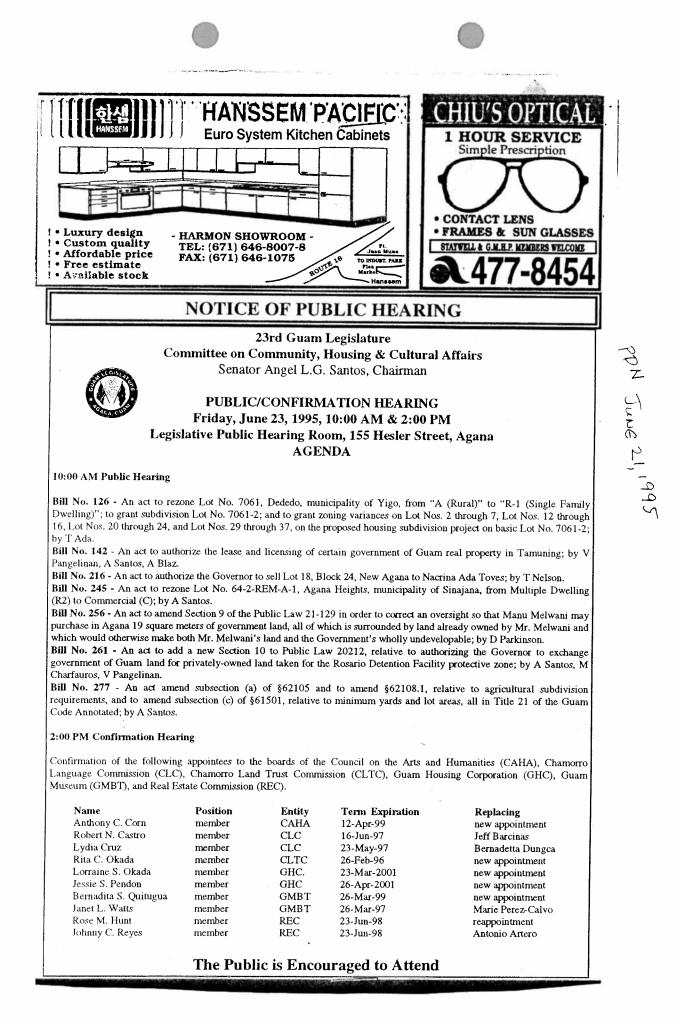
Si Yu'os Ma'ase'!

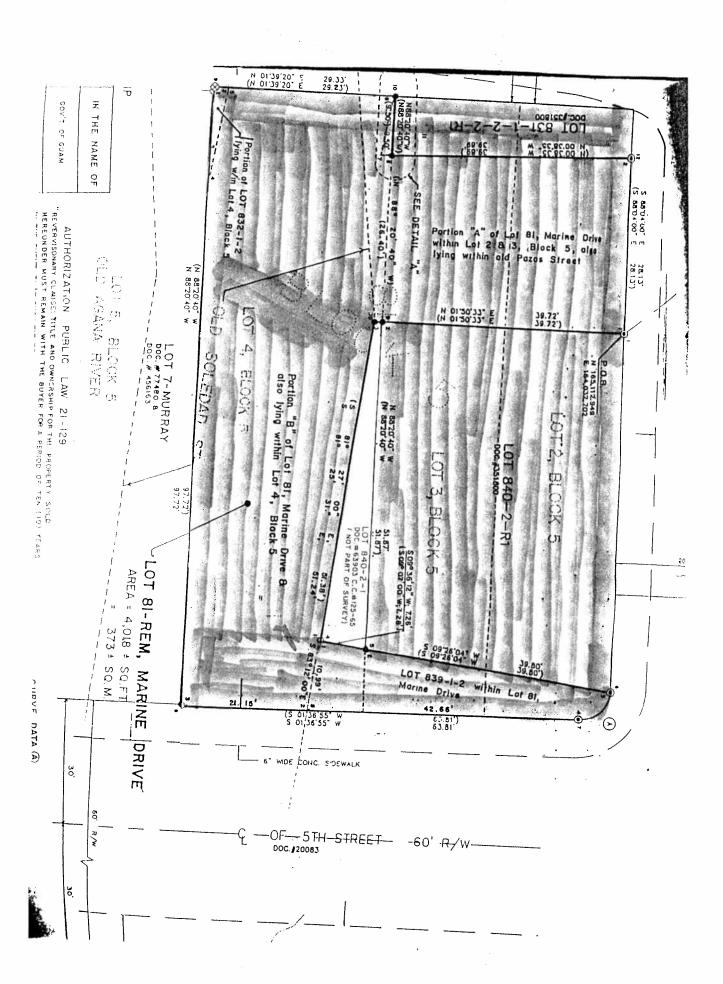
Cruz

APPOVED DISAPPROVED

'S. Nelson

Executive Director Protocal 6/22/95 Audi Visiual cc:





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TWENTY THIRD GUAM LEGISLATURE 1995 (FIRST) REGULAR SESSION

Bill No. 256 (L5) Introduced By:

D. Parkinson

AN ACT TO AMEND SECTION 9 OF THE PUBLIC LAW 21-129 IN ORDER TO CORRECT AN OVERSIGHT SO THAT MANU MELWANI MAY PURCHASE IN AGANA 19 SQUARE METERS OF GOVERNMENT LAND, ALL OF WHICH IS SURROUNDED BY LAND ALREADY OWNED BY MR. MELWANI AND WHICH WOULD OTHERWISE MAKE BOTH MR. MELWANI'S LAND AND THE GOVERNMENT'S WHOLLY UNDEVELOPABLE.

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

1	Section 1. Statement of Legislative Intent. Section 9 of Public Law 21-129 was intended to
2	authorize the Governor to Sell to Mr. Manu Melwani, United States citizen and Guam resident, a
3	substandard parcel of real property in Agana which are is adjacent to or contiguous with Melwani's
4	properties. The subject property for sale is shown on Drawing PRB 92-165, which is recorded at the
5	Department of Land Management as Instrument No. 491876. The property is described in Public
6	Law 21-129 as "Lot No. 839-1-2, said to contain an aggregate are of 371.46 square meters."
7	Because of an oversight, the description of the subject property to be sold did not include
8	a parcel of approximately nineteen (19) square meter, identified as Lot No. 840-2-1, which is
9	surrounded by property already owned by Mr. Melwani or a corporation controlled by him and did
10	not correctly describe the 371.46 square meters. If Lot 840-2-1 remains as a substandard government
11	property, the government of Guam will be unable to improve it. However, sale of this parcel to Mr.
12	Melwani will enable consolidation of the properties into a usable parcel of larger dimensions. Mr.

Melwani has already paid \$3,450.00 to the government of Guam for the 19 square meters of land
 and has paid the appraised value of the 371.46 square meters.

. . .

Additionally, Mr. Melwani has requested for the removal of the reversionary clause in Public Law 21-129, because it inhibits his ability to secure mortgage financing from lending institutions for construction of a commercial building, as cited in the same public law.

6 It is the intent of the Legislature to correct the oversight and grant authorization for the 7 Governor to correct the description, to sell the remaining substandard property, and to modify the 8 reversion clause so that Mr. Melwani can secure financing for his building project.

9 Section 2. Sections 9(a), 9(b) and 9(d) of Public Law 21-129 is amended to read: "Section 9. (a) Legislative intent. The Legislature has been approached by the owner of Lots Nos. 831-1-2-2-10 11 R1 and 840-2-R1 and Lot No. 7, Block 5, New Agana, with a request that Manu Melwani purchase 12 substandard parcels of the government property, namely, Lots Nos. 839-1-2 81-REM, Marine Drive 13 and 840-2-1, and Pazos Street said to contain an aggregate area of 371.46 approximately 392 square 14 meters (collectively, the "Property"). It is Legislature's intent that as a result of the contemplated 15 sale, Mr. Melwani will be afforded the opportunity to purchase Lot 840-2-1 and Lot 81-Rem, Marine 16 Drive, which, as shown on Drawing PRB 92-165 recorded in the Department of Land Management 17 as Instrument 491876, contains Portion A of Lot 81, Portion B of Lot 81, Lot 839-1-2, a Portion of 18 Lot 832-1-2, and Lot 831-1-2-2-1. The purchase of the Property is requested in order to consolidate 19 all of the lots into a usable parcel of larger dimensions. The owner than contemplates building thereon a commercial building with professional office space. The Legislature finds that such a plan 20 21 would put the Property to its best and most beneficial use. Likewise, the legislature finds that the 22 real property taxes to be gained from the sale of the Property and the eventual consolidation of the 23 lots far outweighs having the Property lay lie idle and without utilities because of its substandard size. 24 (b) Sale Authorized. The Governor is hereby authorized to sell at fair market value the

25 property Lots 81-REM, Marine Drive and 840-2-1 said to contain an aggregate area of approximately

1	392 square meters to Manu Melwani (the "Buyer"), the owner of or the controlling shareholder of
2	the owner of, contiguous Lots Nos. 831-1-2-2-R1 and 840-2-R1 and Lot 7, Block 5, New Agana (the
3	<del>"Buyer")</del> .
4	(c) Appraisals. The two appraisals to be performed on the Property to be sold
5	hereunder shall be conducted by registered appraisers licensed to do business in Guam, at the
6	expense of the Buyer.
7	(d) Survey, mapping and registration. The survey, mapping and registration of the
8	Property sold hereunder shall be performed at the direction of Director of Land Management, at
9	the cost of Buyer.
10	(e) Reversionary clause. Except for a bona fide mortgage for purposes of improving the
11	property, executed in favor of a bank, savings and loan or a financial institution licensed to do
12	business on Guam, title and ownership for the Property sold hereunder must remain with the Buyer
13	for a period of ten (10) years. I the event that such title and ownership are conveyed or otherwise
14	transferred to another, the title and ownership of the Property shall revert to the government of
15	Guam, except upon mortgage foreclosure sale of the foregoing property pursuant to the foregoing
16	authorized mortgage."