

I MINA'TRENTAI TRES NA LIHESLATURAN GUÅHAN
2016 (SECOND) Regular Session

Bill No. 386 -33 (COR)

Introduced by:

Tina R. Muña Barnes 

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

BE IT ENACTED BY THE PEOPLE OF GUAM:

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

Section 2. Adoption of Rules and Regulations. Notwithstanding any other provision of law, rule, regulation, or Executive Order, the RULES AND REGULATIONS GOVERNING THE ADMINISTRATION, DEVELOPMENT, IMPLEMENTATION, PROCEDURES AND GUIDELINES OF THE HOUSING TRUST FUND, attached hereto as Appendix “A”, governing the administration of affordable housing to qualified recipients under the Housing Trust Fund Act, are

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1 adopted by *I Liheslaturan Guåhan*, and *shall* be codified as a new § 2120 of
2 Chapter 2, Title 11, Guam Administrative Rules and Regulations.

3 **Section 3. Severability.** If any provision of these rules and regulations or its
4 application to any person or circumstances is found to be invalid or contrary to
5 law, such invalidity *shall not* affect other provisions or applications to these rules
6 and regulations that can be given effect without the invalid provisions or
7 application, and to this end the provisions of these rules and regulations are
8 severable.

1 Appendix “A”

2 **RULES AND REGULATIONS GOVERNING THE ADMINISTRATION,**
3 **DEVELOPMENT, IMPLEMENTATION, PROCEDURES AND**
4 **GUIDELINES OF THE HOUSING TRUST FUND ACT**
5

6 A new § 2120 shall be added to Chapter 2 of Title 11, Guam Administrative Rules
7 to read:

8 **“§ 2120. Guam Housing Trust Fund.**

9 (a) Purpose and Use of the Housing Trust Fund:

10 (1) Pursuant to the Housing Trust Fund Act, codified
11 at 12 GCA §§ 41001 – 41006, the purpose of the
12 Housing Trust Fund (hereinafter “Fund”), is to support
13 the affordability and accessibility of housing for the
14 residents of Guam, and to finance support services that
15 assist low-income households in obtaining and
16 maintaining affordable housing.

17 (2) The ~~Housing Trust~~ Fund shall be kept separate and
18 apart from all other funds or accounts held or maintained
19 by Guam Housing Corporation (hereinafter
20 “Corporation”). The Fund, for purposes of this
21 Subsection may come from federal grants and other
22 contributions, grants, gifts, bequests, and donations
23 received from other governmental entities, individuals,
24 private organizations, or foundations, and any interest
25 earnings on such monies, which monies the Corporation
26 may solicit, accept, expend and disburse for the purpose
27 of making grants or loans subject to approval by *I*
28 *Liheslaturan Guåhan*. The Fund shall also consist of all

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

10 (3) The Board of Directors of Guam Housing
11 Corporation *shall* approve monies held in the ~~Housing~~
12 ~~Trust~~—Fund for the improvement, preservation, or
13 expansion of affordable housing; ~~or~~ to finance
14 foreclosure prevention activities on Guam; fund the
15 acquisition of housing; or, to fund resources towards
16 obtaining economic data necessary to advise the Board of
17 Directors of Guam Housing Corporation relating to
18 housing conditions on Guam.

19 (4) Any monies held in the fund that is not expended or
20 encumbered from any appropriation at the end of any
21 fiscal year, including interest earned on the investment or
22 deposit of moneys held in the fund, *shall* remain in the
23 fund and *shall not* revert to the general fund account or
24 any other funds under the control and management of
25 Guam Housing Corporation, and *shall* be utilized for the
26 next fiscal year for the purposes specified in the Housing
27 Trust Fund Act.

1 (b) Allocation Procedures for Programs.

2 (1) The Fund may be used for the production or
3 preservation of affordable housing through acquisition of,
4 new construction, reconstruction, and/or rehabilitation of
5 non-luxury housing upon the approval by the Board of
6 Directors of the Corporation. These funds *shall* be
7 allocated to specific, affordable housing and rental
8 programs as established pursuant to 12 GCA § 41003 of
9 the Housing Trust Fund Act. A fee of ten percent (10%)
10 *shall* be allocated and used from the Fund for each
11 housing or rental program supported by Fund and
12 remitted to the Corporation to cover the Corporation's
13 reasonable administrative fees associated with
14 administering Housing Trust Fund programs.

15 (2) The Corporation, upon approval by the Board,
16 *shall* determine a percentage of the trust funds to be
17 withheld in support of the various affordable housing
18 programs approved by *I Liheslaturan Guåhan*, consistent
19 with the appropriate criteria and guidelines as provided
20 by 12 GCA §§ 41003 and 41004 and any other law or
21 regulation, to include, but not limited to, the following
22 type of programs:

- 23 (A) Home ownership programs
24 (B) Land survey revolving fund
25 (C) Down payment assistance programs
26 (D) Grants designated under the First-Time
27 Home-owner Relief Act program

- (E) Rental assistance programs
- (F) Utility hook-up programs
- (G) Hazard mitigation programs
- (H) Property renovation programs
- (I) Homeless programs
- (J) Retrofit programs for compliance with the Americans for Disabilities Act
- (K) Emergency shelters
- (L) Housing Solution Programs for the elderly
- (M) Property acquisition programs
- (N) New Construction programs
- (O) Non-Profit or charitable housing programs
- (P) Special lending or loan programs
- (Q) Short term loan programs
- (R) Any other affordable housing program as approved by the Corporation and the *Liheslaturan Guåhan* consistent with the Housing Trust Fund Act.

(3) The disbursement of these funds to a specific program *shall* be based upon income and financial need with the primary emphasis on the lowest of the income level as identified by the U.S. Department of Housing and Urban Development (HUD) adjusted by household size and consistent with the guidelines for income limits established by the Corporation. Some of these programs may be specific to first-time home buyers, or by income or financial need, as determined by the specific program

1 and consistent with the Housing Trust Fund Act and
2 these rules and regulations.

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

8 (c) Prohibited activities and fees under the Housing Trust Fund.
9

10 The ~~Housing Trust~~ Funds *shall not* be used to pay any
11 delinquent taxes, fees, or other charges on properties to be assisted
12 with the Housing Trust Funds programs or for any political activities,
13 travel or lobbying associated with the development and
14 implementation of the Housing Trust Fund ~~P~~programs.

15 (d) Duties and responsibilities of Guam Housing Corporation
16 involving the administration of the Housing Trust Fund ~~P~~rogram:

17 (1) ~~GHC~~ The Corporation *shall* encourage private
18 enterprise in all public and private agencies engaged in
19 the planning, construction, and acquisition of adequate
20 affordable housing or the rehabilitation of existing houses
21 in Guam by providing research, advisory, and liaison
22 services and grants for rehabilitation, construction, or
23 acquisition from appropriations made for this purpose by
24 *I Liheslaturan Guåhan* and from funds accumulated in
25 the ~~Housing Trust~~ Fund.

26 (2) ~~GHC~~ The Corporation *shall* conduct continuing
27 research into new approaches to affordable housing on
28 Guam to include:

1 (A) ~~Investigation~~ Investigating of living,
2 dwelling, and housing conditions on Guam and
3 viable means and methods of correcting unsafe,
4 unsanitary, or substandard conditions;

5 (B) ~~Make~~ing available to responsible agencies,
6 boards, commissions, or other government
7 agencies its findings and recommendations with
8 regard to any building or property where
9 conditions exist that are unsafe, unsanitary or
10 substandard;

11 (C) ~~Accepting~~ and ~~receiv~~ing grants and
12 services from the federal government and other
13 sources and to process such grants and services for
14 itself and other public and private non-profit
15 agencies and corporations related to affordable
16 housing;

17 (D) ~~Provid~~ing training and technical support to
18 individuals, private enterprise, and all public
19 agencies in the construction and renovation of
20 affordable housing;

21 (E) ~~Administering~~ and ~~make~~ing loans and grants
22 available to individuals and private enterprise
23 foreclosure counselors who will assist individuals
24 or enterprises in understanding, avoiding, or
25 working through foreclosures of property;

26 (F) ~~Serve~~ing as the sole agency for the purpose
27 of administering any plan for financial housing

1 assistance to persons in low and moderate income
2 households for the purpose of assisting such
3 persons in obtaining housing, including without
4 limitation, rental assistance, technical assistance,
5 the construction and rehabilitation of housing, as
6 well as any other plan relating to such financial
7 housing assistance that requires action that has not
8 been made the specific responsibility of any other
9 agency in accordance with the Housing Trust Fund
10 Act or other federal or Guam law, consistent with
11 ~~this section and Act~~ these rules and regulations;

12 (G) Establish ~~and~~, adopt, and amend such rules
13 and regulations as may be necessary to accomplish
14 the goals of the Housing Trust Fund Act;

15 (H) Enforce the provisions of ~~this~~ the Housing
16 Trust Fund Act and these rules and regulations
17 ~~adopted pursuant to this act.~~