

I MINA' TRENTAI DOS NA LIHESLATURAN GUÅHAN
2013 (FIRST) REGULAR SESSION

Bill No. 77-32(COR)

Introduced by:

V.C. Pangelinan
R.J. Respicio

AN ACT TO AMEND SECTION 68975 OF CHAPTER 68,
ARTICLE 11, TITLE 21 OF THE GUAM CODE
ANNOTATED RELATIVE TO THE DEVELOPMENT
OF THE FARMER'S MARKET FACILITY BY THE
FARMER'S COOPERATIVE ASSOCIATION OF
GUAM, INC.

2013 APR -4 PM 12: 25

BE IT ENACTED BY THE PEOPLE OF GUAM:

1 **SECTION 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds
2 that pursuant to Public Law 30-228, Guam's long-standing goal of food self-
3 sufficiency is attainable. Though it has taken many years and the challenges have been
4 seemingly endless, the promise of the Guam Farmer's Market becomes more of a
5 reality today due, in large part, to the allocation of proceeds from the Hotel Occupancy
6 Tax Revenue Limited Obligation (HOT) Bonds to provide the processing and
7 marketing facilities vital to affording our farmers a sustainable and viable outlet for
8 their harvest and production.

9 *I Liheslaturan Guåhan* further finds that in the effort to develop projects that
10 benefit community infrastructure, revitalization of the Guam Farmer's Market is of
11 great importance, and as part of its Facility, to include: a retail Farmer's Market, dry
12 and cold storage, feed and material supply, offices for Government agencies, a value-

1 added kitchen, a dining/patio area, flea market stalls, plant nursery, public toilets, and
2 designated parking area.

3 *I Liheslaturan Guåhan* further finds that Lot No. 10155-1 (6.9947± acres),
4 municipality of Dededo, has been assigned and designated for the Farmer’s Public
5 Market site, to ultimately benefit the people, farmers and ranchers of Guam.

6 Therefore, it is the intent of *I Liheslaturan Guåhan* to *amend* Section 68975 of
7 Chapter 68, Article 11, Title 21 of the Guam Code Annotated relative to the
8 development of the Farmer’s Market Facility by the Farmer’s Cooperative Association
9 of Guam, Inc.

10 **SECTION 2.** Section 68975 of Chapter 68, Article 11, Title 21 of the Guam
11 Code Annotated is hereby *amended* to read as follows:

12 “§ 68975. Farmer’s Cooperative Association of Guam, Inc.

13 ~~*I Maga’lahen Guåhan shall execute all instruments necessary to carry out the*~~
14 ~~*provisions of subsections (a) through (h) of this Section.*~~

15 ~~*I Maga’lahen Guåhan is hereby authorized to lease to the Farmers’ Cooperative*~~
16 ~~*Association of Guam, Inc., (‘Association’) a not for profit corporation, the following*~~
17 ~~*tract of government-owned land:—*~~

18 Notwithstanding any other provision of law, and pursuant to P.L. 30-228,
19 Lot No. 10155-1 (6.9947± acres), municipality of Dededo, is hereby assigned to
20 the Farmer’s Cooperative Association of Guam, Inc., (‘Association’) for the
21 development of the Farmer’s Market facility.

22 The Association is authorized to execute all legal instruments, documents
23 and contracts necessary for the construction and operations of the Farmer’s Market
24 facilities and must comply with the following:

25 ~~(a) Lot No. 10155-1 (6.9947± acres), municipality of *Dededo* or other~~
26 ~~suitable property.—~~

1 (a) **(b)** ~~The Government shall lease to the~~ Association for the sum of One
2 Dollar (\$1.00) per annum ~~lots cited in subsection (a)~~ for twenty-five (25) years with an
3 option ~~to~~ for automatic renewal for another twenty-five (25) years and shall have the
4 beneficial use of the property, for its development. The Association may subject the
5 property and its improvements to a leasehold mortgage, subject to approval by I
6 *Liheslaturan Guåhan*.

7 (b) **(e)** The use of the property *shall be limited* to those activities consistent
8 with the mission and purpose of Association, as detailed in its governing documents,
9 and for the activities authorized herein.

10 ~~(d) Notwithstanding any other laws to the contrary, the lease by the~~
11 ~~government of Guam to the Association of Lot No. 10155-1, containing an area of~~
12 ~~6.9947± total acres in the municipality of Dededo, and improvements thereon, shall be~~
13 ~~executed by I Maga'lahi and the duly authorized representative of the Association and~~
14 ~~shall require the concurrence of I Liheslaturan Guåhan.~~

15 (c) **(e)** The leasehold assignment of right to develop the property for the
16 construction of the Farmer's Market given to the Association by this Act is ~~not~~
17 assignable shall not be re-assigned by the Association to any other entity *nor may*
18 the entire facility project be sublet to a single entity without I Liheslaturan
19 *Guåhan's* approval. Portions of the Farmer's Market facility may be leased out by
20 the Association to individual vendors, businesses and other entities, pursuant with
21 applicable laws, rules and regulations for the commercial lease of government
22 facilities.

23 (d) **(f)** Any change in the tax status of the lessee Association *shall* require
24 notification to I Liheslaturan Guåhan and an immediate renegotiation of payments
25 required in the Act for the use of the property ~~the lease~~. *If* such change *shall* be to a
26 for-profit entity, the rate ~~of the lease~~ *shall* be *no less than* ten percent (10%) of the
27 actual market value of the property.

1 (e) The lease Association shall ~~contain a provision~~ granting the Mayor of
2 *Dededo*, through a memorandum of agreement, access to and use of the lease premises
3 for the activities authorized in Title 21, GCA, Chapter 68, Article 9, §68901(b), with
4 the exception that the approval by the Department of Land Management shall no
5 longer be required for the issuance of the permits pursuant to § 68901(b).

6 (f) The lease Association shall ~~be include a provision requiring~~ that after
7 the initial seven (7) years of the term, ~~ten two percent (10 2%)~~ of the lessee
8 Association's ~~annual retained earnings~~ current net asset value for the previous year
9 ~~from other than the sale of produce~~ shall thereafter be remitted to the account of the
10 Ancestral Land Bank and increased ~~five one percent (5 1%)~~ every five (5) years
11 thereafter for the remaining term ~~of the lease~~ to a maximum of fifty percent (50%).

12 (g) The Association shall not sell, mortgage, sublease, assign, encumber,
13 hypothecate, or otherwise transfer its interest in the property without the prior
14 consent of I Liheslaturan Guåhan. Should the Farmer's Market facility fail to be
15 constructed within two years of the enactment of this Act, or the amounts required
16 by subsection (a) and (f) of this Section fail to be remitted, the assignment of the
17 property to the Association is hereby revoked, and the Department of Land
18 Management shall file the needed documents with the Recorder's Office noticing
19 the revocation and shall include provisions needed to ensure the property is free
20 and clear from any encumbrances to the title.

21 (h) The Association and its activities shall be subject to an annual audit
22 by the Office of Public Accountability.”

23 **SECTION 3.** Lot Re-zoned. Lot No. 10155-1, municipality of Dededo,
24 Guam containing an area of 6.9947± acres is hereby rezoned from Agricultural to
25 Commercial “C”.

26 **SECTION 4. Severability.** If any provision of this Law or its application
27 to any person or circumstances is found to be invalid or contrary to law, such

1 invalidity shall not affect other provisions or applications to this Law which can be
2 given effect without the invalid provision or application, and to this end the
3 provisions of this Law are severable.