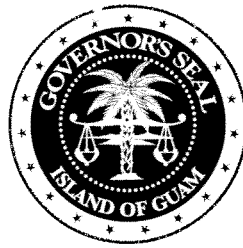


EDDIE BAZA CALVO
Governor



RAY TENORIO
Lieutenant Governor

Office of the Governor of Guam

December 31, 2012

Honorable Judith T. Won Pat, Ed.D.
Speaker
I Mina'trentai Unu Na Liheslaturan Guåhan
155 Hesler Street
Hagåtña, Guam 96910


31-12-2069
Office of the Speaker
Judith T. Won Pat, Ed. D.
Date 1/3/13
Time 4:26 PM
Received by [Signature]

Dear Madame Speaker:

Transmitted herewith is Bill No. 538-31 (COR) "AN ACT TO APPROVE THE TERMS AND CONDITIONS OF GUAM ECONOMIC DEVELOPMENT AUTHORITY PROJECT REVENUE BONDS TO FINANCE THE IRONWOOD LADA SENIOR VILLAGE AFFORDABLE MULTI-FAMILY RENTAL HOUSING DEVELOPMENT; TO AMEND PUBLIC LAW 30-172, RELATIVE TO THE LADA ESTATES PROJECT ENSURING DEVELOPMENT OF PROJECT FOR AFFORDABLE HOUSING FOR THE PEOPLE OF GUAM; TO AMEND PUBLIC LAW 31-195, RELATIVE TO AFFORDABLE HOMES; AND TO AUTHORIZE TAX CREDITS IN LIEU OF PAYMENT FOR THE OFF SITE INFRASTRUCTURE WORK SERVICING THE LADA ESTATES AFFORDABLE HOUSING PROJECT", which lapsed into law on December 29, 2012 as **Public Law 31-282**.

Senseramente,


EDDIE BAZA CALVO

2013 JAN -4 AM 9:42


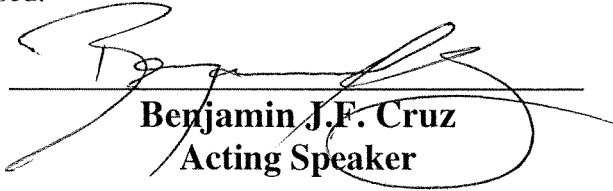
Attachment: copy of Bill

2069

I MINA'TRENTAI UNU NA LIHESLATURAN GUÅHAN
2012 (SECOND) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUÅHAN

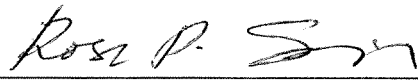
This is to certify that Substitute Bill No. 538-31 (COR), "AN ACT TO APPROVE THE TERMS AND CONDITIONS OF GUAM ECONOMIC DEVELOPMENT AUTHORITY PROJECT REVENUE BONDS TO FINANCE THE IRONWOOD LADA SENIOR VILLAGE AFFORDABLE MULTI-FAMILY RENTAL HOUSING DEVELOPMENT; TO AMEND PUBLIC LAW 30-172, RELATIVE TO THE LADA ESTATES PROJECT ENSURING DEVELOPMENT OF PROJECT FOR AFFORDABLE HOUSING FOR THE PEOPLE OF GUAM; TO AMEND PUBLIC LAW 31-195, RELATIVE TO AFFORDABLE HOMES; AND TO AUTHORIZE TAX CREDITS IN LIEU OF PAYMENT FOR THE OFF SITE INFRASTRUCTURE WORK SERVICING THE LADA ESTATES AFFORDABLE HOUSING PROJECT", was on the 14th day of December, 2012, duly and regularly passed.


Benjamin J.F. Cruz
Acting Speaker

Attested:


Tina Rose Muña Barnes
Legislative Secretary

This Act was received by *I Maga'lahaen Guåhan* this 17 day of Dec, 2012, 11:40 at 11:40 o'clock A.M.


Assistant Staff Officer
Maga'lahi's Office

APPROVED:

EDWARD J.B. CALVO
I Maga'lahaen Guåhan

Date: DEC 31 2012

Public Law No. 31-282

I MINA'TRENTAI UNU NA LIHESLATURAN GUÅHAN
2012 (SECOND) Regular Session

Bill No. 538-31 (COR)

As substituted by the Author; and amended on the Floor.

Introduced by:

T. R. Muña Barnes
Judith T. Won Pat, Ed.D.
R. J. Respicio
T. C. Ada
V. Anthony Ada
F. F. Blas, Jr.
B. J.F. Cruz
Chris M. Dueñas
Judith P. Guthertz, DPA
Sam A. Mabini, Ph.D.
Adolpho B. Palacios, Sr.
V. C. Pangelinan
Dennis G. Rodriguez, Jr.
M. Silva Taijeron
Aline A. Yamashita, Ph.D.

AN ACT TO APPROVE THE TERMS AND CONDITIONS OF GUAM ECONOMIC DEVELOPMENT AUTHORITY PROJECT REVENUE BONDS TO FINANCE THE IRONWOOD LADA SENIOR VILLAGE AFFORDABLE MULTI-FAMILY RENTAL HOUSING DEVELOPMENT; TO AMEND PUBLIC LAW 30-172, RELATIVE TO THE LADA ESTATES PROJECT ENSURING DEVELOPMENT OF PROJECT FOR AFFORDABLE HOUSING FOR THE PEOPLE OF GUAM; TO AMEND PUBLIC LAW 31-195, RELATIVE TO AFFORDABLE HOMES; AND TO AUTHORIZE TAX CREDITS IN LIEU OF PAYMENT FOR THE OFF SITE INFRASTRUCTURE WORK SERVICING THE LADA ESTATES AFFORDABLE HOUSING PROJECT.

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

2 **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds
3 that §50103(a) of Title 12 of the Guam Code Annotated declares that there exists
4 in Guam a substantial and serious shortage of housing in all categories, which
5 shortage is inimical to the health and welfare of the residents of Guam and to the
6 economic development of Guam, and provides that the Guam Economic
7 Development Authority (GEDA) is established in part for the purpose of financing
8 the construction of residential dwellings, including single family dwellings,
9 multiple family dwellings, condominiums and cooperative apartments.

10 *I Liheslaturan Guåhan* further finds that Ironwood Estates Guam
11 Development/Micronesia Community Development Corporation and/or related
12 entities have requested that GEDA issue and sell bonds in an amount not to exceed
13 Twenty Million Dollars (\$20,000,000) for the purpose of financing the acquisition,
14 construction and development of an approximately two hundred (200) unit senior
15 multi-family rental housing development to be located in *Dededo*, Guam, and to be
16 known as Ironwood Lada Senior Village (the Project), on Lots 10120-14 and
17 10120-16, *Dededo*, Guam which Project constitutes a "project" as defined in
18 Chapter 64 of Title 12 of the Guam Code Annotated. Chapter 64 of Title 12 of the
19 Guam Code Annotated authorizes GEDA to issue project revenue bonds for the
20 purpose of providing funds, among other things, to make loans and pay or cause to
21 be paid all or any part of the costs of any project, including the Project, and
22 provides that GEDA *shall not* sell any bond without the approval by *I Liheslaturan*
23 *Guåhan* of the terms and conditions of the bonds.

24 *I Liheslaturan Guåhan* has determined to approve the issuance of project
25 revenue bonds by GEDA for the purposes described in the preceding paragraph, all
26 subject to approval by *I Maga'låhen Guåhan* and the Board of Directors of GEDA
27 in accordance with law. §64106 of Chapter 64 of Title 12 Guam Code Annotated

1 provides that, except as otherwise expressly provided by GEDA, project revenue
2 bonds *shall* be special obligations of GEDA payable solely from the revenues or
3 money of GEDA specified in the resolution or indenture providing for the issuance
4 of such bonds, and that such project revenue bonds *shall not* constitute “public
5 indebtedness” of the government of Guam, as that term is used in §11 of the
6 Organic Act of Guam. The resolution or indenture under which project revenue
7 bonds approved pursuant to this Act are issued *shall* provide that such bonds be
8 payable solely from revenues derived from the Project.

9 **Section 2. Approval of the Terms and Conditions of GEDA Project**

10 **Revenue Bonds.** *I Liheslaturan Guåhan*, pursuant to §50103(k) of Title 12 of the
11 Guam Code Annotated, hereby approves the terms and conditions of the issuance
12 of project revenue bonds by GEDA for the purpose of providing financing for the
13 Project, which financing may take the form of a direct loan to the owner of the
14 Project, notwithstanding §50103(i) of the Guam Code Annotated, in accordance
15 with the following requirements, limitations, terms and conditions:

16 (a) The aggregate principal amount of the bonds *shall not* exceed
17 Twenty Million Dollars (\$20,000,000);

18 (b) The final maturity of the bonds *shall not* extend forty (40) years
19 from the delivery date of the bond;

20 (c) The all-in true interest cost of such bonds *shall not* exceed
21 seven percent (7%) per annum;

22 (d) The sale of the bonds and the resolution or indenture pursuant
23 to which such bonds are issued *shall* be approved by the Board of Directors
24 of GEDA, and the resolution or indenture pursuant to which such bonds are
25 issued *shall* be approved by *I Maga'låhen Guåhan*, as provided by Chapters
26 50 and 64 of Title 12 of the Guam Code Annotated; and

1 (e) Such bonds *shall* be issued pursuant to a resolution or indenture
2 or providing that the bonds are special obligations of GEDA payable solely
3 from the revenues specified in such indenture providing, and each bond
4 issued thereunder *shall* recite that it is not “public indebtedness” of the
5 government of Guam as that term is used in §11 of the Organic Act of
6 Guam.

7 **Section 3.** Section 2 of Public Law 30-172 is hereby *amended* to read:

8 **“Section 2.** Subsection (d) of Section 38 of Chapter VI of Public Law
9 29-113, is hereby *amended* to read as follows:

10 **“(d) A new Section 6.1 is hereby *added* to P.L. 20-225 to**
11 **read as follows:**

12 **“Section 6.1. Prices for Rental Development.** The
13 Property *shall* be sold to a private, non-profit organization, or
14 for profit organization for the same price as reflected in Section
15 6 of P.L. 20-225, as amended. Rental developments *shall* be
16 developed for families whose income *do not* exceed up to one
17 hundred fifty percent (150%) of the median income for Guam
18 households as established by the U.S. Department of Housing
19 and Urban Development (HUD). When the property is sold to
20 a private, non-profit organization, or for profit organization to
21 develop affordable rental development the transfer of sale *shall*
22 have a deed restriction to ensure the following:

23 (a) In the event the private, non-profit organization, or for
24 profit organization sells the Property after the rental period, the
25 Property *shall only* be sold to a first time homeowner. First time
26 homeowner, as it relates to this Act, *shall* be an eligible buyer

1 as stated on Section 5 of P.L. 20-225, as amended by Section 38
2 of P.L. 29-113.

3 (b) In the event the private, non-profit organization, or
4 for profit organization sells the Property after the rental period,
5 the Property *shall only* be sold to a first time homeowner at the
6 same value the private, non-profit organization, or for profit
7 organization purchased the Property and as stipulated on
8 Section 6 of P.L. 20-225, as amended.

9 (c) When the private, non-profit organization, or for
10 profit organization sells the house and lot after the rental period
11 it will recover any cost of the vertical construction,
12 rehabilitation cost, administrative fee, and the allowable
13 developer fee allowed by HUD. The developer fee can be *only*
14 applied to the cost of the vertical unit and *not* the land. As
15 stated in Subsection (b) of this legislation, the land will be sold
16 to the first-time homeowner with the same value the private,
17 non-profit organization, or for profit organization bought the
18 property as stated in Section 6 of P.L. 20-225.

19 (d) The private, non-profit organization, or for profit
20 organization purchaser of the "Lada Estates Affordable Housing
21 Project" *shall* assume all current and future liabilities associated
22 with all claims and liens filed against the property including
23 property taxes.

24 (e) The Guam Housing Corporation *shall* have the first
25 right of refusal to all mortgages for property sold by the private,
26 non-profit organization, or for profit organization purchaser,
27 pursuant to Section 6 of Public Law 20-225."

1 **Section 4.** Section 4 of Public Law 31-195 is hereby *amended* to read as
2 follows:

3 **“Section 4. Covenant to Build Affordable Homes.**

4 Notwithstanding any provision of law, homes constructed on the properties,
5 Lots 10120-14 and 10120-16, *Dededo*, Guam, *shall* be sold or rented in
6 accordance with Public Law 30-172 (attached as Exhibit G) within nine (9)
7 years from the date of enactment.”

8 **Section 5. Legislative Findings and Intent.** The Lada Estates Project

9 was started twenty-three (23) years ago by the Twentieth Guam Legislature with
10 Public Law No. 20-225 to provide affordable housing. Since 2004, the Lada
11 Estates Project has been the subject of a lengthy lawsuit, wherein Maeda Pacific
12 Corporation sought payment for both the on-site and off-site infrastructure work
13 that it performed for the Lada Estates Project. The claims regarding payment for
14 on-site infrastructure work was finally adjudicated and concluded by the Decision
15 and Order of the Superior Court of Guam on January 6, 2012 in Civil Case No.
16 0135-04 and the passage of Bill 416-31 earlier this year. The off-site infrastructure
17 work remains unpaid despite the Judgment and Decision and Order of the Superior
18 Court of Guam on March 8, 2011 which ordered the government of Guam to pay
19 to Maeda Pacific Corporation Two Million Nine Hundred Fifteen Thousand
20 Dollars (\$2,915,000) for the off-site infrastructure work that it performed. A copy
21 of this Judgment and Decision and Order is attached hereto as **Exhibit A**.

22 **Section 6. Payment for Off-Site Infrastructure Work.** In lieu of any

23 cash payment from the government of Guam for the off-site infrastructure work in
24 accordance with the Judgment of the Superior Court of Guam, the Government is
25 hereby authorized to issue tax credits. The tax credit authorized by this Act *shall* be
26 permitted as follows:

1 (a) Maeda Pacific Corporation may utilize tax credits against one-
2 quarter of the business privilege tax to the government of Guam for any
3 given tax period.

4 (b) Said tax credits may be used during one (1) or more years
5 provided the total amount of tax credits used *do not exceed* Two Million
6 Nine Hundred Fifteen Thousand Dollars (\$2,915,000). Any portion of the
7 tax credits *not* used within five (5) years *shall* expire.

8 (c) The tax credits authorized herein *shall* be freely assignable and
9 transferable to any party, company, partnership or corporation; provided,
10 however, that such assignee may only utilize the tax credit against one-
11 quarter of the business privilege tax to the government of Guam for any
12 given tax period.

13 **Section 7.** As a condition to the utilization of the subject tax credits,
14 Maeda Pacific *shall* provide the government of Guam its agreement in writing that
15 the availability of these tax credits through this legislation constitutes an accord
16 and satisfaction of all amounts owed to it by the government of Guam pursuant to
17 the Judgment of the Superior Court of Guam dated March 8, 2011 in Civil Case
18 No. 0135-04.

19 **Section 8. Effective Date.** This Act *shall* become effective upon
20 enactment into law.

21 **Section 9. Severability.** *If* any provision of this Law or its application to
22 any person or circumstance is found to be invalid or contrary to law, such
23 invalidity *shall* not affect other provisions or applications of this Law which can be
24 given effect without the invalid provisions or application, and to this end the
25 provisions of this Law are severable.

e

I MINA' TRENTAI UNU NA LIHESLATURAN GUÅHAN

2011 (SECOND) Regular Session

Date: 12/14/12

VOTING SHEET

Bill No. 538-31(COR)

Resolution No. _____

Question: _____

<u>NAME</u>	<u>YEAS</u>	<u>NAYS</u>	<u>NOT VOTING/ ABSTAINED</u>	<u>OUT DURING ROLL CALL</u>	<u>ABSENT</u>
ADA, Thomas C.	✓				
ADA, V. Anthony	✓				
BLAS, Frank F., Jr.	✓				
CRUZ, Benjamin J. F.	✓				
DUENAS, Christopher M.	✓				
GUTHERTZ, Judith Paulette	✓				
MABINI, Sam					EA
MUNA-BARNES, Tina Rose	✓				
PALACIOS, Adolpho Borja, Sr.	✓				
PANGELINAN, vicente (ben) cabrera ^{ll}		✓			
RESPICIO, Rory J.	✓				
RODRIGUEZ, Dennis G., Jr.	✓				
SILVA TAIJERON, Mana	✓				
WON PAT, Judith T.	✓				
YAMASHITA, Aline A.	✓				

TOTAL

13 1 0 0 1

CERTIFIED TRUE AND CORRECT:

Patricia A. Santos
Clerk of the Legislature

* 3 Passes = No vote
EA = Excused Absence



I Mina'trentai Unu Na Liheslaturan Guåhan
Office of The Legislative Secretary
Tina Rose Muña Barnes

2012 DEC 11 AM 11:57
[Signature]

December 10, 2012

The Honorable Judith T. Won Pat, Ed.D.
Speaker
I Mina'trentai Unu Na Liheslaturan Guåhan
155 Hesler Place
Hagåtña, Guam 96910

VIA: The Honorable Rory J. Respicio
Chairperson, Committee on Rules

RE: Committee Report on Bill No. 538-31 (COR)

Dear Speaker Won Pat:

Transmitted herewith is the Committee Report on **Bill No. 538-31 (COR)** – “An Act to Approve the Terms and Conditions of Guam Economic Development Authority Project Revenue Bonds to Finance the Ironwood Lada Senior Village Affordable Multifamily Rental Housing Development; to Amend Public Law 30-172 Relative to the Lada Estates Project Ensuring Development of Project for Affordable Housing for the People of Guam; and to Amend Public Law 31-195 Relative to Affordable Homes.”

Committee votes are as follows:

- 7 TO DO PASS
- 0 TO NOT PASS
- 3 TO REPORT OUT ONLY
- 0 TO ABSTAIN
- 0 TO PLACE IN INACTIVE FILE

Sincerely,

[Signature]

Tina Rose Muña Barnes
Senator



I Mina'Trentai Unu Na Liheslaturan Guåhan
Office of The Legislative Secretary
Tina Rose Muña Barnes

**COMMITTEE
REPORT
ON**

BILL NO. 538-31 (COR)
(Sponsor: Tina Rose Muña Barnes)

**"AN ACT TO APPROVE THE TERMS AND
CONDITIONS OF GUAM ECONOMIC DEVELOPMENT
AUTHORITY PROJECT REVENUE BONDS TO
FINANCE THE IRONWOOD LADA SENIOR VILLAGE
AFFORDABLE MULTIFAMILY RENTAL HOUSING
DEVELOPMENT; TO AMEND PUBLIC LAW 30-172
RELATIVE TO THE LADA ESTATES PROJECT
ENSURING DEVELOPMENT OF PROJECT FOR
AFFORDABLE HOUSING FOR THE PEOPLE OF GUAM;
AND TO AMEND PUBLIC LAW 31-195 RELATIVE TO
AFFORDABLE HOMES."**

Chairperson, Committee on Municipal Affairs, Tourism, Housing and Recreation
Vice Chairperson, Committee on Youth, Cultural Affairs, Procurement, General Government Operations and Public
Broadcasting

155 Hesler Place Hagatña, Guam 96910 [Tel: 671-472-3455/6 Fax: 671-472-3400] www.tinamunabarnes.com

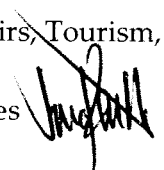


I Mina'Trentai Unu Na Liheslaturan Guåhan
Office of The Legislative Secretary
Tina Rose Muña Barnes

December 10, 2012

MEMORANDUM

To: All Members
Committee on Municipal Affairs, Tourism, Housing and Recreation.

From: Senator Tina Rose Muña Barnes 
Committee Chairperson

Subject: Committee Report on Bill No. 538-31 (COR)

Transmitted herewith for your consideration is the Committee Report on Bill No. 538-31 (COR) - "An Act to Approve the Terms and Conditions of Guam Economic Development Authority Project Revenue Bonds to Finance the Ironwood Lada Senior Village Affordable Multifamily Rental Housing Development; to Amend Public Law 30-172 Relative to the Lada Estates Project Ensuring Development of Project for Affordable Housing for the People of Guam; and to Amend Public Law 31-195 Relative to Affordable Homes."

This report includes the following:

- Committee Vote Sheet
- Committee Report Digest
- Copy of Bill No. 538-31 (COR)
- Public Hearing Sign-in Sheet
- Copies of Submitted Testimony on Bill No. 538-31 (COR)
- Copy of COR Referral of Bill No. 538-31 (COR)
- Fiscal Note for Bill No. 538-31 (COR)
- Notices of Public Hearing
- Copy of the Public Hearing Agenda

Please take the appropriate action on the attached vote sheet. Your attention to this matter is greatly appreciated. Should you have any questions or concerns, please do not hesitate to contact me.

Si Yu'os ma'åse'!

Chairperson, Committee on Municipal Affairs, Tourism, Housing and Recreation
Vice Chairperson, Committee on Youth, Cultural Affairs, Procurement, General Government Operations and Public Broadcasting
155 Hesler Place Hagatña, Guam 96910 [Tel: 671-472-3455/6 Fax: 671-472-3400] www.tinamunabarnes.com



I Mina'Trentai Unu Na Liheslaturan Guåhan
Office of The Legislative Secretary
Tina Rose Muña Barnes

COMMITTEE VOTING SHEET

Bill No. 538-31 (COR) As Substituted by the Author – "An Act to Approve the Terms and Conditions of Guam Economic Development Authority Project Revenue Bonds to Finance the Ironwood Lada Senior Village Affordable Multifamily Rental Housing Development; to Amend Public Law 30-172 Relative to the Lada Estates Project Ensuring Development of Project for Affordable Housing for the People of Guam; and to Amend Public Law 31-195 Relative to Affordable Homes."

	SIGNATURE	TO PASS	TO NOT PASS	TO REPORT OUT ONLY	TO ABSTAIN DUE TO CONFLICT OF INTEREST	TO PLACE IN INACTIVE FILE
LEGISLATIVE SECRETARY TINA ROSE MUÑA BARNES Chairperson		✓				
SPEAKER JUDITH T. WON PAT, Ed.D. Vice-Chairperson		12/11/12				
VICE SPEAKER BENJAMIN J.F. CRUZ Member		12/11/12 ✓				
SENATOR RORY J. RESPICIO Member		12/11/12 ✓				
SENATOR THOMAS C. ADA Member		12/11/12 ✓				
SENATOR DENNIS G. RODRIGUEZ, JR. Member						
SENATOR JUDITH P. GUTHERTZ, DPA Member		12/11/12 ✓				
SENATOR ADOLPHO B. PALACIOS, SR. Member		12/11/12 ✓				
SENATOR VICENTE C. PANGELINAN Member						
SENATOR FRANK F. BLAS, JR. Minority Member						
SENATOR ALINE A. YAMASHITA, Ph.D. Minority Member				12/11/12 ✓		
SENATOR V. ANTHONY ADA Minority Member				12/11/12 ✓		
SENATOR MANA SILVA TAIJERON Minority Member				12/11/12 ✓		
SENATOR CHRISTOPHER M. DUEÑAS Minority Member						



I Mina'Trentai Unu Na Liheslaturan Guåhan
Office of The Legislative Secretary
Tina Rose Muña Barnes

COMMITTEE REPORT DIGEST

I. OVERVIEW

Bill No. 538-31(COR) was introduced on **November 29, 2012** by **Senator Tina Rose Muña Barnes**, and was subsequently referred by the Committee on Rules to the **Committee on Municipal Affairs, Tourism, Housing and Recreation** on **November 29, 2012**.

The **Committee on Municipal Affairs, Tourism, Housing and Recreation** convened a public hearing on **Bill No. 538-31(COR)** on **Thursday, December 6, 2012** at **1:00 PM** at the Legislature's Public Hearing Room in Hagåtña.

Public Notice Requirements

Public Hearing notices were disseminated via **e-mail** to all Senators and all main media broadcasting outlets on **Thursday, November 29, 2012** (5-Day Notice), and again on **Monday, December 3, 2012** (48-Hour Notice).

Senators Present

Senator Tina Rose Muña Barnes, Chairperson
Vice Speaker B.J. Cruz, Member
Senator Tom Ada, Member
Senator Tony Ada, Member

II. SUMMARY OF TESTIMONY & DISCUSSION

Senator Muña Barnes: The next bill on the agenda is Bill No. 538-31 (COR) "An Act to Approve the Terms and Conditions of Guam Economic Development Authority Project Revenue Bonds to Finance the Ironwood Lada Senior Village Affordable Multifamily Rental Housing Development; To Amend Public Law 30-172 Relative to the Lada Estates Project Ensuring Development of Project for Affordable Housing for the People of Guam; And to Amend Public Law 31-195 Relative to Affordable Homes". We did send out an invite list to the agencies involved. Guam Economic Development Authority; Mr. Martin Benavente Guam Housing Corporation; Mr. Michael J. Duenas, Acting Executive Director for GHURA; and Mr. Carlos Camacho of Micronesia Community Development Corporation. Here to speak right now... we do have the government entities here. I'd like to call Mr. Martin Benavente of Guam Housing Corporation, Mr. Mike Duenas from GHURA and Mr. Camacho from Micronesia Community Development Corporation. Mr. Benavente you have the floor.



I Mina'Trentai Unu Na Liheslaturan Guåhan

Office of The Legislative Secretary

Tina Rose Muña Barnes

Martin Benavente, President – Guam Housing Corporation

Thank you Senator Tina Barnes. You know Lada Estates has been around for some time. The last couple of years, the Governor has given us a mission to provide as much as possible, as many as possible new homes for our people here in Guam. We've been moving in that direction for quite some time now and this new amendment to the bill is another step that brings us closer to achieving that goal. We at Guam Housing of course support this bill, this venture hopefully so that we can get started with the actual building of these homes. We've been ready since we walked in and we're hoping that this bill just helps expedite that. I've also submitted written testimony as President of Guam Housing and as the Executive Officer for the Affordable Housing Coordinating Council. So Madam Chairman for the record we're here to support this bill.

Senator Muña Barnes: Si Yu'os Ma'ase Mr. Benavente. I just want to say that for the record that I would be remised if I didn't state for the record that the history of the Lada Estates as I noted in previous testimonies that this project was first initiated over 2 decades ago... 23 years ago with the government's intent to build affordable housing for our working class families, more importantly to look at housing for our senior citizens, and for those who couldn't afford housing to develop a rental component for those who can't afford a home but want that rental unit. I guess the history and the knowledge that you learned and working closely with our committee, I was able to move these efforts for closing Lada fast forward. I want to say fast forward because in the last couple of terms I think I introduced 3-7 legislations in reference to trying to close the chapter on Lada. I've said it in the past it's gone through 4 Congressional Representatives, 4 Governor administrations, it would be 11 legislatures and if we don't close this chapter, we'll be going on 12 legislatures. The efforts with the affordable housing and the coordinating council working closely with the administration, I want the people of Guam to know that this was an eyesore for many years and there a lot of attempts to fix it and just had a lot o flops because of the long drawn out court battle. Now that we've come this far I want to thank you for your efforts.

Martin Benavente, President – Guam Housing Corporation

Just one more thing Senator, the need for affordable housing still exist and now it's getting greater because we keep reproducing more people here in this island and you people out there in the jungles and in the boonies still living in canopies and tin roof houses and things like that. We've got to get them out of there. We've got to get moving... any obstacles that we find, we must remove and get out of the way so that we can get going with building. It's more than ready. So there's an urgency here. Thank you.



I Mina'Trentai Unu Na Liheslaturan Guåhan
Office of The Legislative Secretary
Tina Rose Muña Barnes

Senator Muña Barnes: Thank you. I'll go ahead and have Mr. Duenas from GHURA.

Michael J. Duenas, Acting Executive Director - GHURA

Good afternoon Madam Chair. My name is Mike Duenas, the Acting Executive Director for Guam Housing and Urban Renewal Authority. I'm here to support Bill 538 in particular Section 3 that amends some of the language in Public Law 20-225. I believe the changes will provide more flexibility in terms of the financing options that are available to complete the development of the Lada Estates Program. We'll be submitting written testimony at a later date. Thank you.

Senator Muña Barnes: Thank you. I just want to state that I understand that there was a death earlier this morning... one of our board members from GHURA had passed away Mr. Calvo. For the record I would like to extend my condolences to the family and that our thoughts and prayers will continue to be with the family in their time of loss. I know that Mr. Calvo is not just the Vice Chair, but that he was an employee of GHURA for many years and he's always had GHURA in his heart and we're going to truly miss him. I just want to say that I extend my condolences to the GHURA family and to his personal family.

Michael J. Duenas, Acting Executive Director - GHURA

Thank you Senator, I'm sure Mr. Calvo's family would appreciate that and the GHURA family also appreciates that. Several of our employees were there when Mr. Calvo started in 1971 and they do miss him. We appreciate those words of condolences.

Senator Muña Barnes: Thank you Mr. Duenas... Mr. Camacho.

Carlos Camacho – Micronesia Community Development Corporation

Good afternoon Madam Chair and Senator Ada. I'm here in support of Bill 538, in regards to 2 parts of the legislation. If I can just give a little history of why Bill 538 was submitted. Bill 538 was submitted visa vee the Guam Economic Development Authority because of a program that they administer called the Private Activity Bonds (PABs). For the last 20 some years, GEDA has been receiving Private Activity Bonds allocated from the Internal Revenue Service and thankful for the leadership of Karl Pangelinan, this year in March they ran an advertisement on bonds available for affordable housing development. 1 of the 5 categories was multi-family housing. Because of the past laws you passed which was all part of the deed restriction of Lada that allowed the flexibility for homeownership and for rental, the Private Activity Bonds was one of the vehicles that our development company Micronesia Community Development has applied for in March of 2012. We were the only affordable housing developer that applied when they advertised that availability of PABs and because of Guam statute, it has to go through the legislative process to ratify the terms and conditions of the Private Activity Bonds application



I Mina'Trentai Unu Na Liheslaturan Guåhan

Office of The Legislative Secretary

Tina Rose Muña Barnes

we submitted as stated in the sections here in regards to the terms of the bonds. Furthermore, just to explain why there are 2 other sections being amended here, I want to thank the Senators here that after many, many years... 23 years, especially for the last 2 years, the last 2 legislative bodies, we had to go through ratifying, cleaning up legislation to allow for the property to be developable. Fortunately and unfortunately at that point, the law that allowed for the rental development side which is what the PABs is used for stated that the development is only for non-profit organizations. Bear in mind that I am a non-profit organization... we did cure the liability of Maeda and Guam Housing. The \$8.5 million has been paid full... just for the record. So for the on-site cost and liability for Guam Housing and Maeda that debt has been fully paid to Maeda Corporation. Unfortunately as we found out utilizing Private Activity Bonds, Private Activity Bonds is tied to what we call the low income housing tax credits. The tax credits are institutional investors in the United States that leverages Section 42 of the Internal Revenue Service Code for tax write-off against U.S. taxes and not Guam. So our investors will come in and buy the other half of the development cost through the tax credit vehicle. But unfortunately those investors are what we call profit entities because they have to be afforded these tax credits through the IRS. So, when we are applying for the Private Activity Bonds, the other half of the funds are coming through tax credit investors. As you recall, I do not want any opportunity down the line to say that I didn't turn no stone that they'll say "Carlos there's a technicality that Guam law states that only a non-profit developer must be the developer to develop the property". Unfortunately the tax credits are for profit investors to take advantage of Section 42. So this is the reason we're asking for the change to add for profit or private organizations so I can be allowed to use the tax credit program. Secondly, the other portion that we ask to develop the property from 6 years to 9 years. The 6 years is part of the agreement we have with Guam Housing when we did the settlement with Maeda Corporation. This settlement for 6 years was signed in 2010, and this court settlement was in 2012... this year January. So we lost 2010, 2011, 2012, 3 years of the 6 years going through court battle. So as we all know for a large scale project 299 units I don't really think that 3 years is sufficient for me as a developer with my experience to fulfill the remaining units to build in the project because I might run into a problem down the line that the 6 years is coming up and I did not meet my conditions with Guam Housing. So that's the reason we are asking for the additional plus 3 to make it 9 years. All the deed restrictions still stay the same, all the laws that you guys passed 20-225, 25-116, 30-172 and 31-195, all are part of the deed restrictions as per the settlement. The only thing we're doing now is making amendments to certain things to make sure that our financing vehicle through the Private Activity Bond and the 4% tax credit that uses for profit investors do not conflict with our non-profit status of Public Law 30-172. So therefore, I support Bill 538-31. Thank you.



I Mina'Trentai Unu Na Liheslaturan Guåhan
Office of The Legislative Secretary
Tina Rose Muña Barnes

Senator Muña Barnes: Saina Ma'ase Mr. Camacho. Senator Tom Ada any questions? Thank you. Thank you very much gentlemen for being here Merry Christmas and have a wonderful day.

III. FINDINGS & RECOMMENDATIONS

The **Committee on Municipal Affairs, Tourism, Housing and Recreation** hereby reports out **Bill No. 538-31 (COR) As Substituted by the Author**, with the recommendation **TO PASS**.

I MINA'TRENTAI UNU NA LIHESLATURAN GUÅHAN
2012 (SECOND) Regular Session

2012 NOV 29 AM 8:57
Mud

Bill No. 538-31 cor

Introduced By:

T.R. MUÑA BARNES

AN ACT TO APPROVE THE TERMS AND CONDITIONS OF GUAM ECONOMIC DEVELOPMENT AUTHORITY PROJECT REVENUE BONDS TO FINANCE THE IRONWOOD LADA SENIOR VILLAGE AFFORDABLE MULTIFAMILY RENTAL HOUSING DEVELOPMENT; TO AMEND PUBLIC LAW 30-172 RELATIVE TO THE LADA ESTATES PROJECT ENSURING DEVELOPMENT OF PROJECT FOR AFFORDABLE HOUSING FOR THE PEOPLE OF GUAM; AND TO AMEND PUBLIC LAW 31-195 RELATIVE TO AFFORDABLE HOMES.

1 BE IT ENACTED BY THE PEOPLE OF GUAM:

2 Section 1. Legislative Findings and Intent. *I Liheslaturan Guåhan* finds
3 that §50103(a) of Title 12 of the Guam Code Annotated declares that there exists
4 in Guam a substantial and serious shortage of housing in all categories, which
5 shortage is inimical to the health and welfare of the residents of Guam and to the
6 economic development of Guam, and provides that the Guam Economic
7 Development Authority ("GEDA") is established in part for the purpose of
8 financing the construction of residential dwellings, including single family
9 dwellings, multiple family dwellings, condominiums and cooperative apartments.

10 *I Liheslaturan Guåhan* further finds that Ironwood Estates Guam
11 Development/Micronesia Community Development Corporation and/or related
12 entities have requested that GEDA issue and sell bonds in an amount not to exceed

1 Twenty Million Dollars (\$20,000,000) for the purpose of financing the acquisition,
2 construction and development of an approximately two hundred (200) unit senior
3 multifamily rental housing development to be located in Dededo, Guam, and to be
4 known as Ironwood Lada Senior Village (the "Project"), on Lots 10120-14 and
5 10120-16 Dededo, Guam which Project constitutes a "project" as defined in
6 Chapter 64 of Title 12 of the Guam Code Annotated. Chapter 64 of Title 12 of the
7 Guam Code Annotated authorizes GEDA to issue project revenue bonds for the
8 purpose of providing funds, among other things, to make loans and pay or cause to
9 be paid all or any part of the costs of any project, including the Project, and
10 provides that GEDA shall not sell any bond without the approval by *I Liheslaturan*
11 *Guåhan* of the terms and conditions of the bonds.

12 *I Liheslaturan Guåhan* has determined to approve the issuance of project
13 revenue bonds by GEDA for the purposes described in the preceding paragraph, all
14 subject to approval by *I Maga'låhen Guåhan* and the Board of Directors of GEDA
15 in accordance with law. §64106 of Chapter 64 of Title 12 Guam Code Annotated
16 provides that, except as otherwise expressly provided by GEDA, project revenue
17 bonds shall be special obligations of GEDA payable solely from the revenues or
18 money of GEDA specified in the resolution or indenture providing for the issuance
19 of such bonds, and that the such project revenue bonds shall not constitute "public
20 indebtedness" of the Government of Guam as that term is used in §11 of the
21 Organic Act of Guam. The resolution or indenture under which project revenue
22 bonds approved pursuant to this Act are issued shall provide that such bonds be
23 payable solely from revenues derived from the Project.

24 **Section 2. Approval of the Terms and Conditions of GEDA Project**
25 **Revenue Bonds.** *I Liheslaturan Guåhan*, pursuant to §50103(k) of Title 12 of the
26 Guam Code Annotated, hereby approves the terms and conditions of the issuance
27 of project revenue bonds by GEDA for the purpose of providing financing for the

1 Project, which financing may take the form of a direct loan to the owner of the
2 Project, notwithstanding §50103(i) of the Guam Code Annotated, in accordance
3 with the following requirements, limitations, terms and conditions:

4 (a) The aggregate principal amount of the bonds shall not exceed
5 Twenty Million Dollars (\$20,000,000);

6 (b) The final maturity of the bonds shall not extend forty (40) years
7 from the delivery date of the bond;

8 (c) The all-in true interest cost of such bonds shall not exceed
9 seven percent (7%) per annum;

10 (d) The sale of the bonds and the resolution or indenture pursuant
11 to which such bonds are issued shall be approved by the Board of Directors
12 of GEDA and the resolution or indenture pursuant to which such bonds are
13 issued shall be approved by *I Maga'låhen Guåhan* as provided by Chapters
14 50 and 64 of Title 12 of the Guam Code Annotated; and

15 (e) Such bonds shall be issued pursuant to a resolution or indenture
16 or providing that the bonds are special obligations of GEDA payable solely
17 from the revenues specified in the such indenture providing, and each bond
18 issued thereunder shall recite that it is not "public indebtedness" of the
19 Government of Guam as that term is used in §11 of the Organic Act of
20 Guam.

21 **Section 3. Section 2 of Public Law 30-172 is hereby amended to read:**

22 **"Section 2. Subsection (d) of Section 38 of Chapter VI of Public**
23 **Law 29-113, is hereby *amended* to read as follows:**

24 (d) A new Section 6.1 is hereby *added* to P.L. 20-225 to read as
25 follows:

26 Section 6.1. Prices for Rental Development. The
27 Property *shall* be sold to a private, non-profit organization or

1 for profit organization for the same price as reflected in Section
2 6 of P.L. 20-225, as amended. Rental developments *shall* be
3 developed for families whose income *do not* exceed up to one
4 hundred fifty percent (150 %) of the median income for Guam
5 households as established by the U.S. Department of Housing
6 and Urban Development (HUD). When the property is sold to
7 a private, non-profit organization or for profit organization to
8 develop affordable rental development the transfer of sale *shall*
9 have a deed restriction to ensure the following:

10 (a) In the event the private, non-profit organization or for
11 profit organization sells the Property after the rental period, the
12 Property *shall only* be sold to a first time homeowner. First
13 time homeowner, as it relates to this Act, *shall* be an eligible
14 buyer as stated on Section 5 of P.L. 20-225, as amended by
15 Section 38 of P.L. 29-113.

16 (b) In the event the private, non-profit organization or for
17 profit organization sells the Property after the rental period, the
18 Property *shall only* be sold to a first time homeowner at the
19 same value the private, non-profit organization or for profit
20 organization purchased the Property and as stipulated on
21 Section 6 of P.L. 20-225, as amended.

22 (c) When the private, non-profit organization or for profit
23 organization sells the house and lot after the rental period it will
24 recover any cost of the vertical construction, rehabilitation cost,
25 administrative fee, and the allowable developer fee allowed by
26 HUD. The developer fee can be *only* applied to the cost of the
27 vertical unit and *not* the land. As stated in Subsection (b) of

1 this legislation, the land will be sold to the first-time
2 homeowner with the same value the private, non-profit
3 organization or for profit organization bought the property as
4 stated in Section 6 of P.L. 20-225.

5 (d) The private, non-profit organization or for profit
6 organization purchaser of the "Lada Estates Affordable
7 Housing Project" shall assume all current and future liabilities
8 associated with all claims and liens filed against the property
9 including property taxes.

10 (e) The Guam Housing Corporation shall have the first
11 right of refusal to all mortgages for property sold by the private,
12 non-profit organization or for profit organization purchaser,
13 pursuant to Section 6 of Public Law 20-225."

14 **Section 4. Section 4 of Public Law 31-195 is hereby amended to read**
15 **as follows:**

16 "Section 4. Covenant to Build Affordable Homes. Notwithstanding
17 any provision of law, homes constructed on the properties [~~referenced in~~
18 ~~Section 3 of this Act~~] Lots 10120-14 and 10120-16, Dededo, Guam shall be
19 sold or rented in accordance with Public Law 30-172 (attached as Exhibit G)
20 within [~~six (6)~~] nine (9) years from the date of enactment."

21 **Section 5. Effective Date.** This Act shall become effective upon
22 enactment into law.

23 **Section 6. Severability.** *If* any provision of this Law or its application to
24 any person or circumstance is found to be invalid or contrary to law, such
25 invalidity shall not affect other provisions or applications of this Law which can be
26 given effect without the invalid provisions or application, and to this end the
27 provisions of this Law are severable.

I MINA'TRENTAI UNU NA LIHESLATURAN GUÅHAN
2012 (SECOND) Regular Session

Bill No. 538-31 (COR)

As Substituted by the Author

Introduced By:

T.R. MUÑA BARNES

AN ACT TO APPROVE THE TERMS AND CONDITIONS OF GUAM ECONOMIC DEVELOPMENT AUTHORITY PROJECT REVENUE BONDS TO FINANCE THE IRONWOOD LADA SENIOR VILLAGE AFFORDABLE MULTIFAMILY RENTAL HOUSING DEVELOPMENT; TO AMEND PUBLIC LAW 30-172 RELATIVE TO THE LADA ESTATES PROJECT ENSURING DEVELOPMENT OF PROJECT FOR AFFORDABLE HOUSING FOR THE PEOPLE OF GUAM; TO AMEND PUBLIC LAW 31-195 RELATIVE TO AFFORDABLE HOMES AND; TO AUTHORIZE TAX CREDITS IN LIEU OF PAYMENT FOR THE OFF SITE INFRASTRUCTURE WORK SERVICING THE LADA ESTATES AFFORDABLE HOUSING PROJECT.

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

2 **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds
3 that §50103(a) of Title 12 of the Guam Code Annotated declares that there exists
4 in Guam a substantial and serious shortage of housing in all categories, which
5 shortage is inimical to the health and welfare of the residents of Guam and to the
6 economic development of Guam, and provides that the Guam Economic
7 Development Authority ("GEDA") is established in part for the purpose of
8 financing the construction of residential dwellings, including single family
9 dwellings, multiple family dwellings, condominiums and cooperative apartments.

1 *I Liheslaturan Guåhan* further finds that Ironwood Estates Guam
2 Development/Micronesia Community Development Corporation and/or related
3 entities have requested that GEDA issue and sell bonds in an amount not to exceed
4 Twenty Million Dollars (\$20,000,000) for the purpose of financing the acquisition,
5 construction and development of an approximately two hundred (200) unit senior
6 multifamily rental housing development to be located in Dededo, Guam, and to be
7 known as Ironwood Lada Senior Village (the "Project"), on Lots 10120-14 and
8 10120-16 Dededo, Guam which Project constitutes a "project" as defined in
9 Chapter 64 of Title 12 of the Guam Code Annotated. Chapter 64 of Title 12 of the
10 Guam Code Annotated authorizes GEDA to issue project revenue bonds for the
11 purpose of providing funds, among other things, to make loans and pay or cause to
12 be paid all or any part of the costs of any project, including the Project, and
13 provides that GEDA shall not sell any bond without the approval by *I Liheslaturan*
14 *Guåhan* of the terms and conditions of the bonds.

15 *I Liheslaturan Guåhan* has determined to approve the issuance of project
16 revenue bonds by GEDA for the purposes described in the preceding paragraph, all
17 subject to approval by *I Maga'låhen Guåhan* and the Board of Directors of GEDA
18 in accordance with law. §64106 of Chapter 64 of Title 12 Guam Code Annotated
19 provides that, except as otherwise expressly provided by GEDA, project revenue
20 bonds shall be special obligations of GEDA payable solely from the revenues or
21 money of GEDA specified in the resolution or indenture providing for the issuance
22 of such bonds, and that the such project revenue bonds shall not constitute "public
23 indebtedness" of the Government of Guam as that term is used in §11 of the
24 Organic Act of Guam. The resolution or indenture under which project revenue
25 bonds approved pursuant to this Act are issued shall provide that such bonds be
26 payable solely from revenues derived from the Project.

1 **Section 2. Approval of the Terms and Conditions of GEDA Project**
2 **Revenue Bonds.** *I Liheslaturan Guåhan*, pursuant to §50103(k) of Title 12 of the
3 Guam Code Annotated, hereby approves the terms and conditions of the issuance
4 of project revenue bonds by GEDA for the purpose of providing financing for the
5 Project, which financing may take the form of a direct loan to the owner of the
6 Project, notwithstanding §50103(i) of the Guam Code Annotated, in accordance
7 with the following requirements, limitations, terms and conditions:

8 (a) The aggregate principal amount of the bonds shall not exceed
9 Twenty Million Dollars (\$20,000,000);

10 (b) The final maturity of the bonds shall not extend forty (40) years
11 from the delivery date of the bond;

12 (c) The all-in true interest cost of such bonds shall not exceed
13 seven percent (7%) per annum;

14 (d) The sale of the bonds and the resolution or indenture pursuant
15 to which such bonds are issued shall be approved by the Board of Directors
16 of GEDA and the resolution or indenture pursuant to which such bonds are
17 issued shall be approved by *I Maga'låhen Guåhan* as provided by Chapters
18 50 and 64 of Title 12 of the Guam Code Annotated; and

19 (e) Such bonds shall be issued pursuant to a resolution or indenture
20 or providing that the bonds are special obligations of GEDA payable solely
21 from the revenues specified in the such indenture providing, and each bond
22 issued thereunder shall recite that it is not “public indebtedness” of the
23 Government of Guam as that term is used in §11 of the Organic Act of
24 Guam.

25 **Section 3. Section 2 of Public Law 30-172 is hereby amended to read:**

26 “Section 2. Subsection (d) of Section 38 of Chapter VI of Public
27 Law 29-113, is hereby *amended* to read as follows:

1 (d) A new Section 6.1 is hereby *added* to P.L. 20-225 to read as
2 follows:

3 **Section 6.1. Prices for Rental Development.** The
4 Property *shall* be sold to a private, non-profit organization or
5 for profit organization for the same price as reflected in Section
6 6 of P.L. 20-225, as amended. Rental developments *shall* be
7 developed for families whose income *do not* exceed up to one
8 hundred fifty percent (150 %) of the median income for Guam
9 households as established by the U.S. Department of Housing
10 and Urban Development (HUD). When the property is sold to
11 a private, non-profit organization or for profit organization to
12 develop affordable rental development the transfer of sale *shall*
13 have a deed restriction to ensure the following:

14 (a) In the event the private, non-profit organization or for
15 profit organization sells the Property after the rental period, the
16 Property *shall only* be sold to a first time homeowner. First
17 time homeowner, as it relates to this Act, *shall* be an eligible
18 buyer as stated on Section 5 of P.L. 20-225, as amended by
19 Section 38 of P.L. 29-113.

20 (b) In the event the private, non-profit organization or for
21 profit organization sells the Property after the rental period, the
22 Property *shall only* be sold to a first time homeowner at the
23 same value the private, non-profit organization or for profit
24 organization purchased the Property and as stipulated on
25 Section 6 of P.L. 20-225, as amended.

26 (c) When the private, non-profit organization or for profit
27 organization sells the house and lot after the rental period it will

1 recover any cost of the vertical construction, rehabilitation cost,
2 administrative fee, and the allowable developer fee allowed by
3 HUD. The developer fee can be *only* applied to the cost of the
4 vertical unit and *not* the land. As stated in Subsection (b) of
5 this legislation, the land will be sold to the first-time
6 homeowner with the same value the private, non-profit
7 organization or for profit organization bought the property as
8 stated in Section 6 of P.L. 20-225.

9 (d) The private, non-profit organization or for profit
10 organization purchaser of the "Lada Estates Affordable
11 Housing Project" *shall* assume all current and future liabilities
12 associated with all claims and liens filed against the property
13 including property taxes.

14 (e) The Guam Housing Corporation *shall* have the first
15 right of refusal to all mortgages for property sold by the private,
16 non-profit organization or for profit organization purchaser,
17 pursuant to Section 6 of Public Law 20-225."

18 **Section 4. Section 4 of Public Law 31-195 is hereby amended to read**
19 **as follows:**

20 "Section 4. Covenant to Build Affordable Homes. Notwithstanding
21 any provision of law, homes constructed on the properties [~~referenced in~~
22 ~~Section 3 of this Act~~] Lots 10120-14 and 10120-16, Dededo, Guam shall be
23 sold or rented in accordance with Public Law 30-172 (attached as Exhibit G)
24 within [~~six (6)~~] nine (9) years from the date of enactment."

25 **Section 5. Legislative Findings and Intent.** The Lada Estates Project,
26 started twenty-three (23) years ago by the Twentieth Guam Legislature with Public
27 Law No. 20-225 to provide affordable housing. Since 2004, the Lada Estates

1 Project has been the subject of a lengthy lawsuit wherein Maeda Pacific
2 Corporation sought payment for both the on site and off site infrastructure work
3 that it performed for the Lada Estates Project. The claims regarding payment for
4 on-site infrastructure work was finally adjudicated and concluded by the Decision
5 and Order of the Superior Court of Guam on January 6, 2012 in Civil Case No.
6 0135-04 and the passage of Bill 416-31 earlier this year. The off-site infrastructure
7 work remains unpaid despite the Judgment and Decision and Order of the Superior
8 Court of Guam on March 8, 2011 which ordered the Government of Guam to pay
9 to Maeda Pacific Corporation Two Million Nine Hundred Fifteen Thousand
10 Dollars (\$2,915,000) for the off site infrastructure work that it performed. A copy
11 of this Judgment and Decision and Order is attached hereto as *Exhibit A*.

12 **Section 6. Payment for Off-Site Infrastructure Work.** In lieu of any
13 cash payment from the Government of Guam for the off-site infrastructure work in
14 accordance with the Judgment of the Superior Court of Guam, the Government is
15 hereby authorized to issue tax credits. The tax credit authorized by this Act shall
16 be permitted as follows:

17 (a) Maeda Pacific Corporation may utilize tax credits against one-
18 quarter of the business privilege tax to the Government of Guam for any
19 given tax period.

20 (b) Said tax credits may be used during one or more years provided
21 the total amount of tax credits used do not exceed Two Million Nine
22 Hundred Fifteen Thousand Dollars (\$2,915,000). Any portion of the tax
23 credits not used within five (5) years shall expire.

24 (c) The tax credit authorized herein shall be freely assignable and
25 transferable to any party, company, partnership or corporation; provided,
26 however, that such assignee may only utilize the tax credit against one-

1 quarter of the business privilege tax to the Government of Guam for any
2 given tax period.

3 **Section 7.** As a condition to the utilization of the subject tax credits,
4 Maeda Pacific shall provide the Government of Guam its agreement in writing that
5 the availability of these tax credits through this legislation constitutes an accord
6 and satisfaction of all amounts owed to it by the Government of Guam pursuant to
7 the Judgment of the Superior Court of Guam dated March 8, 2011 in Civil Case
8 No. 0135-04.

9 **Section 8. Effective Date.** This Act shall become effective upon
10 enactment into law.

11 **Section 9. Severability.** *If* any provision of this Law or its application to
12 any person or circumstance is found to be invalid or contrary to law, such
13 invalidity *shall* not affect other provisions or applications of this Law which can be
14 given effect without the invalid provisions or application, and to this end the
15 provisions of this Law are severable.



EDWARD J. B. CALVO
GOVERNOR OF GUAM
I MAGA' LAHEN GUAHAN
RAYMOND S. TENORIO
LT. GOVERNOR OF GUAM
I SEGUNDO NA MAGA' LAHEN GUAHAN
KARL A. PANGELINAN
ADMINISTRATOR
ADMINISTRADOT

Testimony on Bill 538-31 (COR)
by Karl A. Pangelinan, Administrator, Guam Economic Development Authority (GEDA)
To the Committee on Municipal Affairs, Tourism, Housing, & Recreation
Mina Trentai Unu Na Liheslaturan Guahan
December 6, 2012

Hafa Adai Chairwoman Muna-Barnes and Members of the Committee:

I am writing in support of Bill 538-31 (COR), "AN ACT TO APPROVE THE TERMS AND CONDITIONS OF GUAM ECONOMIC DEVELOPMENT AUTHORITY PROJECT REVENUE BONDS TO FINANCE THE IRONWOOD LADA SENIOR VILLAGE AFFORDABLE MULTIFAMILY RENTAL HOUSING DEVELOPMENT; TO AMEND PUBLIC LAW 30-172 RELATIVE TO THE LADA ESTATES PROJECT ENSURING DEVELOPMENT OF PROJECT FOR AFFORDABLE HOUSING FOR THE PEOPLE OF GUAM; AND TO AMEND PUBLIC LAW 31-195 RELATIVE TO AFFORDABLE HOMES."

The Guam Economic Development Authority (GEDA) pursuant to our statute is authorized to issue Private Activity Bonds (PAB's) for this financing in order to provide below-market financing for the development of the Ironwood Lada Senior Village Affordable Multifamily Rental Housing project. The interest on the bonds is exempt from federal and state taxation, and as a result, bonds provide below market financing being contemplated by Bill 538-31.

Federal tax law imposes a number of restrictions and requirements on the issuance of PAB's, among which is a "volume cap" at the state level that limits the amount of PAB's that can be issued each year (Guam is treated as a state for this purpose). Each state receives an annual PAB volume cap allocation, calculated according to a formula established by federal tax law. In addition, federal law allows unused volume cap to be carried forward for future use; carry forward amounts expire after three years. Guam's 2012 volume cap in the amount of approximately Eighty-Nine Million Dollars (\$89,000,000) is available for GEDA to administer based on Executive policy and direction. GEDA publicly announced the availability of PAB's on February 24, 2012 with an application submission date beginning March 30, 2012.

The Ironwood Estates Guam Development/Micronesia Community Development Corporation submitted an application and has requested that GEDA, as issuer, issue and sell bonds in an amount not to exceed Twenty Million Dollars (\$20,000,000) for the purpose contemplated by Bill 538-31. The project will consist of 150 one bedroom and 50 two bedroom units for a total of 200 units with a combined square feet of 161,250. The development will be supported by a HUD Housing Assistance Pay contract that will subsidize the rent for low-income residents. The community will consist of 50 single story concrete quadraplex units with complete kitchens and typhoon shutters. The community will also include walking paths and raised gardens.

Included in the application was a Market Feasibility Study of Ironwood Lada Senior Village conducted by Novogradac & Company dated February 10, 2012, which concluded that the site is considered a desirable location for housing units as it is located within 1.5 miles north of commercial uses along Marine Corps Drive, and believes there is a demand in the marketplace for the project.

The proposed project will add 200 units to the 443 affordable rental units already provided by the developer in four communities. GEDA management recommended and the GEDA Board of Directors adopted an inducement



resolution on May 11, 2012 as conditional expression of intent with respect to potential issuance of bonds for the project.

The approval inducement resolution establishes the date from which project costs incurred may be determined to be eligible for financing under the program. Therefore, applicants are encouraged to induce their projects as soon as practical to identify the project, its location, maximum number of units, the maximum amount of financing, and the ownership entity.

The next step in the process is the passage of Bill 538-31. Once placed into law, GEDA will be able to work with the developers financing team to structure the financing and to prepare the necessary bond documentation to authorize the issuance of the bonds for the project. Thank you for the opportunity to provide testimony in support of Bill 538-31. *Si Yu'os Ma'åse'*.

Senseramente,



Karl A. Pangelinan
Administrator





GUAM HOUSING CORPORATION

110, Bell Street, Agaña, Guam 96931

December 06, 2012

TO: Honorable Senator Tina Rose Muna-Barnes
Chairwoman on Municipal Affairs, Tourism, Housing & Recreation
31st Guam Legislature

Esteem Members of the Housing Committee

FROM: Martin C. Benavente *MB*
GHC President
Executive Officer, Affordable Housing Coordinating Council (AHCC)

Re: Bill No. #538-31

Buenas and Hafa Aдай,

Guam Housing Corporation is affirming its support of Bill No. #538-31. "AN ACT TO APPROVE THE TERMS AND CONDITIONS OF GUAM ECONOMIC DEVELOPMENT AUTHORITY PROJECT REVENUE BONDS TO FINANCE THE IRONWOOD LADA SENIOR VILLAGE AFFORDABLE MULTIFAMILY RENTAL HOUSING DEVELOPMENT; TO AMEND PUBLIC LAW #30-172 RELATIVE TO THE LADA ESTATES PROJECT ENSURING DEVELOPMENT OF PROJECT FOR AFFORDABLE HOUSING FOR THE PEOPLE OF GUAM; AND TO AMEND PUBLIC LAW #31-195 RELATIVE TO AFFORABLE HOMES."

The aforementioned legislation is the next segment in pursuit of the development of affordable housing with the Lada Estates. First, the GEDA Project Revenue Bonds will provide the financing of \$20,000,000.00 for the development; Second, the amending of Public Law 30-172 will allow the additional financing options for the project as allowed by HUD, the U.S. Treasury, and various federal programs with private investors; Third, the amending of Public Law 31-195 will provide the developers of Lada Estates, an additional 36 months to fulfill the settlement terms and conditions in the development of affordable homes.

With this enabling legislation, it is the intent of Guam Housing Corporation to continue to support the development of affordable housing for the people of Guam with the subject properties, to provide affordable housing for the people of Guam as outlined by the Governor of Guam, the Honorable, Eddie Baza Calvo, Blueprint 2020 and the Affordable Housing initiatives.



COMMITTEE ON RULES

I Mina'trentai Unu na Libeslaturan Guåhan • The 31st Guam Legislature
155 Hesler Place, Hagåtña, Guam 96910 • www.guamlegislature.com
E-mail: roryforguam@gmail.com • Tel: (671)472-7679 • Fax: (671)472-3547

Senator
Rory J. Respicio
CHAIRPERSON
MAJORITY LEADER

Senator
Judith P. Guthertz
VICE CHAIRPERSON
ASST. MAJORITY LEADER

MAJORITY MEMBERS:

Speaker
Judith T. Won Pat

Vice Speaker
Benjamin J. F. Cruz

Senator
Tina Rose Muña Barnes
LEGISLATIVE SECRETARY
MAJORITY WHIP

Senator
Dennis G. Rodriguez, Jr.
ASST. MAJORITY WHIP

Senator
Thomas C. Ada

Senator
Adolpho B. Palacios, Sr.

Senator
vicente c. pangelinan

MINORITY MEMBERS:

Senator
Aline A. Yamashita
ASST. MINORITY LEADER

Senator
Christopher M. Duenas

November 29, 2012

MEMORANDUM

To: **Pat Santos**
Clerk of the Legislature

Attorney Therese M. Terlaje
Legislative Legal Counsel

From: **Senator Rory J. Respicio**
Majority Leader & Rules Chair

Subject: **Referral of Bill Nos. 538-31 (COR) & 539-31 (COR)**

As the Chairperson of the Committee on Rules, I am forwarding my referral of Bill Nos. 538-31 (COR) and 539-31 (COR).

Please ensure that the subject bills are referred, in my name, to the respective committee, as shown on the attachment. I also request that the same be forwarded to all members of *I Mina'trentai Unu na Libeslaturan Guåhan*.

Should you have any questions, please feel free to contact our office at 472-7679.

Si Yu'os Ma'åse!

(2) Attachment

I Mina'Trentai Unu Na Liheslaturan Guahan
Bill Log Sheet

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	120 DAY DEADLINE	CMTE REFERRED	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	STATUS
538-31 (COR)	T. R. Muna Barnes	AN ACT TO APPROVE THE TERMS AND CONDITIONS OF GUAM ECONOMIC DEVELOPMENT AUTHORITY PROJECT REVENUE BONDS TO FINANCE THE IRONWOOD LADA SENIOR VILLAGE AFFORDABLE MULTIFAMILY RENTAL HOUSING DEVELOPMENT; TO AMEND PUBLIC LAW 30-172 RELATIVE TO THE LADA ESTATES PROJECT ENSURING DEVELOPMENT OF PROJECT FOR AFFORDABLE HOUSING FOR THE PEOPLE OF GUAM; AND TO AMEND PUBLIC LAW 31-195 RELATIVE TO AFFORDABLE HOMES	11/29/2012 8:57 am	11/29/2012		Committee On Municipal Affairs, Tourism, Housing and Recreation			



I Mina'Trentai Unu Na Liheslaturan Guåhan
Office of The Legislative Secretary
Tina Rose Muña Barnes

November 29, 2012

Memorandum

TO: All Members/All Senators
FROM: Senator Tina Rose Muña Barnes
SUBJECT: **First Notice of Public Hearing**
Thursday, December 6, 2012

Buenas yan Hafa Adai! The Committee on Municipal Affairs, Tourism, Housing and Recreation will be conducting a public hearing on **Thursday, December 6, 2012** in the Public Hearing Room, 155 Hesler Place, Hagåtña beginning at 1:00 p.m. This hearing is scheduled to receive public testimony on the following:

- **Bill No. 519-31 (COR):** "An Act Authorizing the Guam Visitors Bureau to Recruit the Necessary Personnel to Support the Mission of its Research Department; and to Authorize an Appropriation for the Purpose of Such Recruitment." - T.R. Muña Barnes
- **Bill No. 537-31 (COR):** "An Act to appropriate the Sum of Sixty Thousand Dollars (\$60,000) from the Tourist Attraction Fund to the University of Guam for the Operations of the Guampedia Foundation." - T.R. Muña Barnes
- **Bill No. 538-31 (COR):** "An Act to Approve the Terms and Conditions of Guam Economic Development Authority Project Revenue Bonds to Finance the Ironwood Lada Senior Village Affordable Multifamily Rental Housing Development; to Amend Public Law 30-172 Relative to the Lada Estates Project Ensuring Development of Project for Affordable Housing for the People of Guam; and to Amend Public Law 31-195 Relative to Affordable Homes." - T.R. Muña Barnes
- **Bill No. 539-31 (COR):** "An Act to Authorize Tax Credits in Lieu of Payment for the Off Site Infrastructure Work Servicing the Lada Estates Affordable Housing Project." - T.R. Muña Barnes

I look forward to your attendance and participation. *Si Yu'os Ma'åse'!*

cc: Sergeant-At-Arms/Protocol/AV
Clerk of the Legislature
MIS
All Media

This five (5) day Public Hearing notice is provided pursuant to §8107 Chapter 8, 5 GCA). A second notice (forty-eight (48) hours prior) will be provided on *Monday, December 3, 2012*. Written testimonies may be submitted on the day of, prior to, or up to ten (10) days after the public hearing to the Office of Senator Tina Rose Muña Barnes, 155 Hesler Place, Hagåtña Guam 96910, via facsimile to 472-3400 or via email to senator@tinamunabarnes.com. We comply with Title II of the Americans with Disabilities Act (ADA). Should you require assistance or accommodations please contact Jeanenne Cordero or John Blas from our office at 472-3455/6 or via email at jean@tinamunabarnes.com or jblas@tinamunabarnes.com

Chairperson, Committee on Municipal Affairs, Tourism, Housing and Recreation
Vice Chairperson, Committee on Youth, Cultural Affairs, Procurement, General Government Operations and Public Broadcasting
155 Hesler Place Hagåtña, Guam 96910 [Tel: 671-472-3455/6 Fax: 671-472-3400] www.tinamunabarnes.com



John Blas <jblas@tinamunabarnes.com>

First Hearing Notice

John Blas <jblas@tinamunabarnes.com>

Thu, Nov 29, 2012 at 12:57 PM

To: P/Hrg Notice <phnotice@guamlegislature.org>

Cc: GLIMPSES OF GUAM - Letitia Law Byerly <assist_editor@glimpsesofofguam.com>, GLIMPSES OF GUAM - MANAGING EDITOR <managingeditor@glimpsesofofguam.com>, GLIMPSES OF GUAM - Maureen Maratita <publisher@glimpsesofofguam.com>, K Stereo - KISH <kstokish@gmail.com>, K Stereo News <kstnews@ite.net>, KPRG <kprg@guam.net>, KUAM - John <john@kuam.com>, KUAM - Krystal <krystal@kuam.com>, KUAM - Mindy <mindy@kuam.com>, KUAM - NICK <nick@kuam.com>, KUAM - Sabrina <sabrina@kuam.com>, KUAM News - Hot Tips <hottips@kuam.com>, Marianas Variety <amier@mvguam.com>, Marianas Variety - Admin <admin@mvguam.com>, Marianas Variety - Editor <editor@mvguam.com>, Marianas Variety - Jamela <jamela@mvguam.com>, Marianas Variety - Jennifer <jennifer@mvguam.com>, Marianas Variety - Zita Taitano <zita@mvguam.com>, PBS Guam <ssuobiron@pbsguam.org>, PBS Guam <tlaguana@pbsguam.org>, PBS Guam Leigh Pereda <lpereda@pbsguam.org>, PDN - Catriona <cmelyan@guampdn.com>, PDN - News <news@guampdn.com>, PDN - Oyaol Ngirairikl <odngirairikl@guampdn.com>, PDN - Watanabe <mwatanabe@guam.gannett.com>, SPB - Betsy Brown <betsy@spbgguam.com>, SPB - Clynt Ridgell <clynt@spbgguam.com>, SPB - Josh Tyquiengco <jtyquiengco@spbgguam.com>, SPB - Kevin Kerrigan <kevin@spbgguam.com>, SPB - Patti Arroyo <parroyo@k57.com>, SPB - Ray Gibson <rgibson@k57.com>, SPB - Travis Kaufmann <breakfastshowk57@gmail.com>, Telo Taitague <telo.taitague@guam.gov>

Bcc: John Blas <jblas@tinamunabarnes.com>

Dear Senators,

Buenas yan Hafa Adai! Please see the attached memo from Senator Muna Barnes relative to a scheduled hearing for 1:00 p.m. Thursday, December 6, 2012 in the Legislative Public Hearing Room. If you should have any questions, please do not hesitate to call or email me.

John

November 29, 2012

Memorandum

TO: All Members/All Senators

FROM: Senator Tina Rose Muña Barnes

SUBJECT: First Notice of Public Hearing - Thursday, December 6, 2012

Buenas yan Hafa Adai! The Committee on Municipal Affairs, Tourism, Housing and Recreation will be conducting a public hearing on **Thursday, December 6, 2012** in the Public Hearing Room, 155 Hesler Place, Hagåtña beginning at 1:00 p.m. This hearing is scheduled to receive public testimony on the following:

Bill No. 519-31 (COR): "An Act Authorizing the Guam Visitors Bureau to Recruit the Necessary Personnel to Support the Mission of its Research Department; and to Authorize an Appropriation for the Purpose of Such Recruitment." - T.R. Muña Barnes

Bill No. 537-31 (COR): "An Act to appropriate the Sum of Sixty Thousand Dollars (\$60,000) from the Tourist Attraction Fund to the University of Guam for the Operations of the Guampedia Foundation." – T.R. Muña Barnes

Bill No. 538-31 (COR): "An Act to Approve the Terms and Conditions of Guam Economic Development Authority Project Revenue Bonds to Finance the Ironwood Lada Senior Village Affordable Multifamily Rental Housing Development; to Amend Public Law 30-172 Relative to the Lada Estates Project Ensuring Development of Project for Affordable Housing for the People of Guam; and to Amend Public Law 31-195 Relative to Affordable Homes." – T.R. Muña Barnes

Bill No. 539-31 (COR): "An Act to Authorize Tax Credits in Lieu of Payment for the Off Site Infrastructure Work Servicing the Lada Estates Affordable Housing Project." – T.R. Muña Barnes

I look forward to your attendance and participation. *Si Yu'os Ma'åse'!*

cc: Sergeant-At-Arms/Protocol/AV

Clerk of the Legislature

MIS

All Media

This five (5) day Public Hearing notice is provided pursuant to §8107 Chapter 8, 5 GCA). A second notice (forty-eight (48) hours prior) will be provided on *Monday, December 3, 2012*. Written testimonies may be submitted on the day of, prior to, or up to ten (10) days after the public hearing to the Office of Senator Tina Rose Muña Barnes, 155 Hesler Place, Hagåtña Guam 96910, via facsimile to 472-3400 or via email to senator@tinamunabarnes.com. We comply with Title II of the Americans with Disabilities Act (ADA). Should you require assistance or accommodations please contact Jeanenne Cordero or John Blas from our office at 472-3455/6 or via email at jean@tinamunabarnes.com or jblas@tinamunabarnes.com

--

John F. Blas
Senior Policy Advisor
Office of Senator Tina Rose Muña Barnes
Committee on Municipal Affairs, Tourism, Housing and Recreation
155 Hessler Place
Hagåtña, Guam 96910
(W) 671.472.3455/6
(F) 671.472.3400
email: jblas@tinamunabarnes.com

 **2012 1129 First Hrg Notice.pdf**
74K



John Blas <jblas@tinamunabarnes.com>

First Hearing Notice

Adam Bearce <adam@guamlegislature.org>

Thu, Nov 29, 2012 at 1:33 PM

To: John Blas <jblas@tinamunabarnes.com>, Yong Pak <yong@guamlegislature.org>

Hi. This is now posted.

On Thu, Nov 29, 2012 at 12:57 PM, John Blas <jblas@tinamunabarnes.com> wrote:

Dear Senators,

Buenas yan Hafa Adai! Please see the attached memo from Senator Muna Barnes relative to a scheduled hearing for 1:00 p.m. Thursday, December 6, 2012 in the Legislative Public Hearing Room. If you should have any questions, please do not hesitate to call or email me.

John

November 29, 2012

Memorandum

TO: All Members/All Senators

FROM: Senator Tina Rose Muña Barnes

SUBJECT: First Notice of Public Hearing - Thursday, December 6, 2012

Buenas yan Hafa Adai! The Committee on Municipal Affairs, Tourism, Housing and Recreation will be conducting a public hearing on **Thursday, December 6, 2012** in the Public Hearing Room, 155 Hesler Place, Hagåtña beginning at 1:00 p.m. This hearing is scheduled to receive public testimony on the following:

Bill No. 519-31 (COR): "An Act Authorizing the Guam Visitors Bureau to Recruit the Necessary Personnel to Support the Mission of its Research Department; and to Authorize an Appropriation for the Purpose of Such Recruitment." - T.R. Muña Barnes

Bill No. 537-31 (COR): "An Act to appropriate the Sum of Sixty Thousand Dollars (\$60,000) from the Tourist Attraction Fund to the University of Guam for the Operations of the Guampedia Foundation." – T.R. Muña Barnes

Bill No. 538-31 (COR): "An Act to Approve the Terms and Conditions of Guam Economic Development Authority Project Revenue Bonds to Finance the Ironwood Lada Senior Village Affordable Multifamily Rental Housing Development; to Amend Public Law 30-172 Relative to the Lada Estates Project Ensuring Development of Project for Affordable Housing for the People of Guam; and to Amend Public Law 31-195 Relative to Affordable Homes." – T.R. Muña Barnes

Bill No. 539-31 (COR): "An Act to Authorize Tax Credits in Lieu of Payment for the Off Site Infrastructure Work Servicing the Lada Estates Affordable Housing Project." – T.R. Muña Barnes

I look forward to your attendance and participation. *Si Yu'os Ma'åse'!*

cc: Sergeant-At-Arms/Protocol/AV

Clerk of the Legislature

MIS

All Media

This five (5) day Public Hearing notice is provided pursuant to §8107 Chapter 8, 5 GCA). A second notice (forty-eight (48) hours prior) will be provided on *Monday, December 3, 2012*. Written testimonies may be submitted on the day of, prior to, or up to ten (10) days after the public hearing to the Office of Senator Tina Rose Muña Barnes, 155 Hessler Place, Hagåtña Guam 96910, via facsimile to 472-3400 or via email to senator@tinamunabarnes.com. We comply with Title II of the Americans with Disabilities Act (ADA). Should you require assistance or accommodations please contact Jeanenne Cordero or John Blas from our office at 472-3455/6 or via email at jean@tinamunabarnes.com or jblas@tinamunabarnes.com

--

John F. Blas
Senior Policy Advisor
Office of Senator Tina Rose Muña Barnes
Committee on Municipal Affairs, Tourism, Housing and Recreation
155 Hessler Place
Hagåtña, Guam 96910
(W) 671.472.3455/6
(F) 671.472.3400
email:jblas@tinamunabarnes.com



I Mina'Trentai Unu Na Liheslaturan Guáhan
Office of The Legislative Secretary
Tina Rose Muña Barnes

December 3, 2012

Memorandum

TO: All Members/All Senators

FROM: Senator Tina Rose Muña Barnes

SUBJECT: **Second Notice of Public Hearing - Thursday, December 6, 2012**

Buenas yan Hafa Adai! The Committee on Municipal Affairs, Tourism, Housing and Recreation will be conducting a public hearing on **Thursday, December 6, 2012** in the Public Hearing Room, 155 Hesler Place, Hagåtña beginning at 1:00 p.m. This hearing is scheduled to receive public testimony on the following:

- **Bill No. 519-31 (COR):** "An Act Authorizing the Guam Visitors Bureau to Recruit the Necessary Personnel to Support the Mission of its Research Department; and to Authorize an Appropriation for the Purpose of Such Recruitment." - T.R. Muña Barnes
- **Bill No. 537-31 (COR):** "An Act to appropriate the Sum of Sixty Thousand Dollars (\$60,000) from the Tourist Attraction Fund to the University of Guam for the Operations of the Guampedia Foundation." - T.R. Muña Barnes
- **Bill No. 538-31 (COR):** "An Act to Approve the Terms and Conditions of Guam Economic Development Authority Project Revenue Bonds to Finance the Ironwood Lada Senior Village Affordable Multifamily Rental Housing Development; to Amend Public Law 30-172 Relative to the Lada Estates Project Ensuring Development of Project for Affordable Housing for the People of Guam; and to Amend Public Law 31-195 Relative to Affordable Homes." - T.R. Muña Barnes
- **Bill No. 539-31 (COR):** "An Act to Authorize Tax Credits in Lieu of Payment for the Off Site Infrastructure Work Servicing the Lada Estates Affordable Housing Project." - T.R. Muña Barnes

I look forward to your attendance and participation. *Si Yu'os Ma'åse'!*

cc: Sergeant-At-Arms/Protocol/AV
Clerk of the Legislature
MIS
All Media

This forty-eight (48) hour Public Hearing notice is provided pursuant to §8107 Chapter 8, 5 GCA). Written testimonies may be submitted on the day of, prior to, or up to ten (10) days after the public hearing to the Office of Senator Tina Rose Muña Barnes, 155 Hesler Place, Hagåtña Guam 96910, via facsimile to 472-3400 or via email to senator@tinamunabarnes.com. We comply with Title II of the Americans with Disabilities Act (ADA). Should you require assistance or accommodations please contact Jeanenne Cordero or John Blas from our office at 472-3455/6 or via email at jean@tinamunabarnes.com or jblas@tinamunabarnes.com

Chairperson, Committee on Municipal Affairs, Tourism, Housing and Recreation
Vice Chairperson, Committee on Youth, Cultural Affairs, Procurement, General Government Operations and Public Broadcasting
155 Hesler Place Hagåtña, Guam 96910 [Tel: 671-472-3455/6 Fax: 671-472-3400] www.tinamunabarnes.com



John Blas <jblas@tinamunabarnes.com>

Second Hearing Notice

John Blas <jblas@tinamunabarnes.com>

Mon, Dec 3, 2012 at 8:59 AM

To: P/Hrg Notice <phnotice@guamlegislature.org>

Cc: GLIMPSES OF GUAM - Letitia Law Byerly <assist_editor@glimpsesofofguam.com>, GLIMPSES OF GUAM - MANAGING EDITOR <managingeditor@glimpsesofofguam.com>, GLIMPSES OF GUAM - Maureen Maratita <publisher@glimpsesofofguam.com>, K Stereo - KISH <kstokish@gmail.com>, K Stereo News <kstonews@ite.net>, KPRG <kprg@guam.net>, KUAM - John <john@kuam.com>, KUAM - Krystal <krystal@kuam.com>, KUAM - Mindy <mindy@kuam.com>, KUAM - NICK <nick@kuam.com>, KUAM - Sabrina <sabrina@kuam.com>, KUAM News - Hot Tips <hottips@kuam.com>, Marianas Variety <amier@mvguam.com>, Marianas Variety - Admin <admin@mvguam.com>, Marianas Variety - Editor <editor@mvguam.com>, Marianas Variety - Jamela <jamela@mvguam.com>, Marianas Variety - Jennifer <jennifer@mvguam.com>, Marianas Variety - Zita Taitano <zita@mvguam.com>, PBS Guam <ssuobiron@pbsguam.org>, PBS Guam <tlaguana@pbsguam.org>, PBS Guam Leigh Pereda <lpereda@pbsguam.org>, PDN - Catriona <cmelyan@guampdn.com>, PDN - News <news@guampdn.com>, PDN - Oyaol Ngirairiki <odngirairiki@guampdn.com>, PDN - Watanabe <mwatanabe@guam.gannett.com>, SPB - Betsy Brown <betsy@spbgguam.com>, SPB - Clynt Ridgell <clynt@spbgguam.com>, SPB - Josh Tyquiengco <jtyquiengco@spbgguam.com>, SPB - Kevin Kerrigan <kevin@spbgguam.com>, SPB - Patti Arroyo <parroyo@k57.com>, SPB - Ray Gibson <rgibson@k57.com>, SPB - Travis Kaufmann <breakfastshowk57@gmail.com>, Telo Taitague <telo.taitague@guam.gov>

Bcc: John Blas <jblas@tinamunabarnes.com>

Dear Senators,

Buenas yan Hafa Adai! Please see the attached memo from Senator Muna Barnes relative to a scheduled hearing for 1:00 p.m. Thursday, December 6, 2012 in the Legislative Public Hearing Room. If you should have any questions, please do not hesitate to call or email me.

John

December 3, 2012

Memorandum

TO: All Members/All Senators

FROM: Senator Tina Rose Muña Barnes

SUBJECT: Second Notice of Public Hearing - Thursday, December 6, 2012

Buenas yan Hafa Adai! The Committee on Municipal Affairs, Tourism, Housing and Recreation will be conducting a public hearing on Thursday, December 6, 2012 in the Public Hearing Room, 155 Hesler Place, Hagåtña beginning at 1:00 p.m. This hearing is scheduled to receive public testimony on the following:

Bill No. 519-31 (COR): "An Act Authorizing the Guam Visitors Bureau to Recruit the Necessary Personnel to Support the Mission of its Research Department; and to Authorize an Appropriation for the Purpose of Such Recruitment." - T.R. Muña Barnes

Bill No. 537-31 (COR): "An Act to appropriate the Sum of Sixty Thousand Dollars (\$60,000) from the Tourist Attraction Fund to the University of Guam for the Operations of the Guampedia Foundation." - T.R. Muña Barnes

Bill No. 538-31 (COR): "An Act to Approve the Terms and Conditions of Guam Economic Development Authority Project Revenue Bonds to Finance the Ironwood Lada Senior Village Affordable Multifamily Rental Housing Development; to Amend Public Law 30-172 Relative to the Lada Estates Project Ensuring Development of Project for Affordable Housing for the People of Guam; and to Amend Public Law 31-195 Relative to Affordable Homes." – T.R. Muña Barnes

Bill No. 539-31 (COR): "An Act to Authorize Tax Credits in Lieu of Payment for the Off Site Infrastructure Work Servicing the Lada Estates Affordable Housing Project." – T.R. Muña Barnes

I look forward to your attendance and participation. *Si Yu'os Ma'åse'!*

cc: Sergeant-At-Arms/Protocol/AV

Clerk of the Legislature

MIS

All Media

This forty-eight (48) hour Public Hearing notice is provided pursuant to §8107 Chapter 8, 5 GCA).. Written testimonies may be submitted on the day of, prior to, or up to ten (10) days after the public hearing to the Office of Senator Tina Rose Muña Barnes, 155 Hesler Place, Hagåtña Guam 96910, via facsimile to 472-3400 or via email to senator@tinamunabarnes.com. We comply with Title II of the Americans with Disabilities Act (ADA). Should you require assistance or accommodations please contact Jeanenne Cordero or John Blas from our office at 472-3455/6 or via email at jean@tinamunabarnes.com or jblas@tinamunabarnes.com

--

John F. Blas
Senior Policy Advisor
Office of Senator Tina Rose Muña Barnes
Committee on Municipal Affairs, Tourism, Housing and Recreation
155 Hessler Place
Hagåtña, Guam 96910
(W) 671.472.3455/6
(F) 671.472.3400
email:jblas@tinamunabarnes.com



2012 1203 Second Hrg Notice.pdf

73K



John Blas <jblas@tinamunabarnes.com>

Second Hearing Notice

Adam Bearce <adam@guamlegislature.org>

Mon, Dec 3, 2012 at 9:01 AM

To: John Blas <jblas@tinamunabarnes.com>, Yong Pak <yong@guamlegislature.org>

Hi. Confirmed.

On Mon, Dec 3, 2012 at 8:59 AM, John Blas <jblas@tinamunabarnes.com> wrote:

Dear Senators,

Buenas yan Hafa Adai! Please see the attached memo from Senator Muna Barnes relative to a scheduled hearing for 1:00 p.m. Thursday, December 6, 2012 in the Legislative Public Hearing Room. If you should have any questions, please do not hesitate to call or email me.

John

December 3, 2012

Memorandum

TO: All Members/All Senators

FROM: Senator Tina Rose Muña Barnes

SUBJECT: Second Notice of Public Hearing - Thursday, December 6, 2012

Buenas yan Hafa Adai! The Committee on Municipal Affairs, Tourism, Housing and Recreation will be conducting a public hearing on Thursday, December 6, 2012 in the Public Hearing Room, 155 Hesler Place, Hagåtña beginning at 1:00 p.m. This hearing is scheduled to receive public testimony on the following:

Bill No. 519-31 (COR): "An Act Authorizing the Guam Visitors Bureau to Recruit the Necessary Personnel to Support the Mission of its Research Department; and to Authorize an Appropriation for the Purpose of Such Recruitment." - T.R. Muña Barnes

Bill No. 537-31 (COR): "An Act to appropriate the Sum of Sixty Thousand Dollars (\$60,000) from the Tourist Attraction Fund to the University of Guam for the Operations of the Guampedia Foundation." – T.R. Muña Barnes

Bill No. 538-31 (COR): "An Act to Approve the Terms and Conditions of Guam Economic Development Authority Project Revenue Bonds to Finance the Ironwood Lada Senior Village Affordable Multifamily Rental Housing Development; to Amend Public Law 30-172 Relative to the Lada Estates Project Ensuring Development of Project for Affordable Housing for the People of Guam; and to Amend Public Law 31-195 Relative to Affordable Homes." – T.R. Muña Barnes

Bill No. 539-31 (COR): "An Act to Authorize Tax Credits in Lieu of Payment for the Off Site Infrastructure Work Servicing the Lada Estates Affordable Housing Project." – T.R. Muña Barnes

I look forward to your attendance and participation. *Si Yu'os Ma'åse'!*

cc: Sergeant-At-Arms/Protocol/AV
Clerk of the Legislature
MIS
All Media

This forty-eight (48) hour Public Hearing notice is provided pursuant to §8107 Chapter 8, 5 GCA).. Written testimonies may be submitted on the day of, prior to, or up to ten (10) days after the public hearing to the Office of Senator Tina Rose Muña Barnes, 155 Hesler Place, Hagåtña Guam 96910, via facsimile to 472-3400 or via email to senator@tinamunabarnes.com. We comply with Title II of the Americans with Disabilities Act (ADA). Should you require assistance or accommodations please contact Jeanenne Cordero or John Blas from our office at 472-3455/6 or via email at jean@tinamunabarnes.com or jblas@tinamunabarnes.com

--

John F. Blas
Senior Policy Advisor
Office of Senator Tina Rose Muña Barnes
Committee on Municipal Affairs, Tourism, Housing and Recreation
155 Hessler Place
Hagåtña, Guam 96910
(W) 671.472.3455/6
(F) 671.472.3400
email:jblas@tinamunabarnes.com



John Blas <jblas@tinamunabarnes.com>

Invitation to Attend Public Hearing - 1pm December 6, 2012

John Blas <jblas@tinamunabarnes.com>

Fri, Nov 30, 2012 at 9:51 AM

To: Carlos Camacho <ironwoodhousing@gmail.com>

Cc: Senator Tina <senator@tinamunabarnes.com>, Regine Lee <regine@tinamunabarnes.com>

Dear Mr. Camacho,

Buenas yan Hafa Adai! In reference to the above subject matter, please see the attached letter of invitation from Senator Muna Barnes. Also attached for your information and review are the bills to be heard at 1:00p.m. on Thursday, December 6, 2012 the If you should have any questions, please do not hesitate to call or email me.

Thank you for your kind attention.


John


--

John F. Blas
Senior Policy Advisor
Office of Senator Tina Rose Muña Barnes
Committee on Municipal Affairs, Tourism, Housing and Recreation
155 Hessler Place
Hagåtña, Guam 96910
(W) 671.472.3455/6
(F) 671.472.3400
email:jblas@tinamunabarnes.com

3 attachments

 **2012 1130 Carlos Camacho (Micro Comm Development Corp).pdf**
212K

 **Bill No. B538-31 (COR).pdf**
135K

 **Bill No. B539-31 (COR).pdf**
537K



John Blas <jblas@tinamunabarnes.com>

Invitation to Attend Public Hearing - 1pm December 6, 2012

John Blas <jblas@tinamunabarnes.com>

Fri, Nov 30, 2012 at 10:14 AM

To: Karl Pangelinan <kpangelinan@guameda.net>

Cc: Charlene Concepcion <char@guameda.net>, Senator Tina <senator@tinamunabarnes.com>, Regine Lee <regine@tinamunabarnes.com>

Bcc: Carlos Camacho <ironwoodhousing@gmail.com>


Dear Mr. Pangelinan,


Buenas yan Hafa Adai! In reference to the above subject matter, please see the attached letter of invitation from Senator Muna Barnes. Also attached for your information and review are the bills to be heard at 1:00p.m. on Thursday, December 6, 2012 the If you should have any questions, please do not hesitate to call or email me.

[Quoted text hidden]

3 attachments

 **2012 1130 Karl Pangelinan (GEDA Administrator).pdf**
213K

 **Bill No. B538-31 (COR).pdf**
135K

 **Bill No. B539-31 (COR).pdf**
537K



John Blas <jblas@tinamunabarnes.com>

Invitation to December 6th Hearing

John Blas <jblas@tinamunabarnes.com>

Fri, Nov 30, 2012 at 10:18 AM

To: Martin Benavente <martin.benavente@ghc.guam.gov>

Cc: Senator Tina <senator@tinamunabarnes.com>, Regine Lee <regine@tinamunabarnes.com>

Bcc: Carlos Camacho <ironwoodhousing@gmail.com>

Dear Mr. Benavente,

Buenas yan Hafa Adai! In reference to the above subject matter, please see the attached letter of invitation from Senator Muna Barnes. Also attached for your information and review are the bills to be heard at 1:00p.m. on Thursday, December 6, 2012 the If you should have any questions, please do not hesitate to call or email me.


Thank you for your kind attention.


John


--

John F. Blas
Senior Policy Advisor
Office of Senator Tina Rose Muña Barnes
Committee on Municipal Affairs, Tourism, Housing and Recreation
155 Hessler Place
Hagåtña, Guam 96910
(W) 671.472.3455/6
(F) 671.472.3400
email:jblas@tinamunabarnes.com

3 attachments

 **2012 1130 Martin Benavente (GHC President).pdf**
293K

 **Bill No. B538-31 (COR).pdf**
135K

 **Bill No. B539-31 (COR).pdf**
537K



John Blas <jblas@tinamunabarnes.com>

Invitation to December 6th Hearing

John Blas <jblas@tinamunabarnes.com>

Mon, Dec 3, 2012 at 9:25 AM

To: Michael Duenas <mjduenas@ghura.org>

Cc: Senator Tina <senator@tinamunabarnes.com>, Regine Lee <regine@tinamunabarnes.com>

Bcc: Carlos Camacho <ironwoodhousing@gmail.com>

Dear Mr. Duenas,

Buenas yan Hafa Adai! In reference to the above subject matter, please see the attached letter of invitation from Senator Muna Barnes. Also attached for your information and review is the bill to be heard at 1:00p.m. on Thursday, December 6, 2012 the If you should have any questions, please do not hesitate to call or email me.


Thank you for your kind attention.


John

--

John F. Blas
Senior Policy Advisor
Office of Senator Tina Rose Muña Barnes
Committee on Municipal Affairs, Tourism, Housing and Recreation
155 Hessler Place
Hagåtña, Guam 96910
(W) 671.472.3455/6
(F) 671.472.3400
email:jblas@tinamunabarnes.com

2 attachments

 **2012 1203 Michael Duenas (GHURA Acting Exec Director).pdf**
210K

 **Bill No. B538-31 (COR).pdf**
135K



I Mina'Trentai Unu Na Liheslaturan Guåhan
Office of The Legislative Secretary
Tina Rose Muña Barnes

Committee on Municipal Affairs, Tourism, Housing & Recreation
Public Hearing
1:00 p.m. Thursday, December 6, 2012

AGENDA

1. **Bill No. 519-31 (COR):** "An Act Authorizing the Guam Visitors Bureau to Recruit the Necessary Personnel to Support the Mission of its Research Department; and to Authorize an Appropriation for the Purpose of Such Recruitment." - T.R. Muña Barnes
2. **Bill No. 537-31 (COR):** "An Act to appropriate the Sum of Sixty Thousand Dollars (\$60,000) from the Tourist Attraction Fund to the University of Guam for the Operations of the Guampedia Foundation." – T.R. Muña Barnes
3. **Bill No. 538-31 (COR):** "An Act to Approve the Terms and Conditions of Guam Economic Development Authority Project Revenue Bonds to Finance the Ironwood Lada Senior Village Affordable Multifamily Rental Housing Development; to Amend Public Law 30-172 Relative to the Lada Estates Project Ensuring Development of Project for Affordable Housing for the People of Guam; and to Amend Public Law 31-195 Relative to Affordable Homes." – T.R. Muña Barnes
4. **Bill No. 539-31 (COR):** "An Act to Authorize Tax Credits in Lieu of Payment for the Off Site Infrastructure Work Servicing the Lada Estates Affordable Housing Project." – T.R. Muña Barnes,

I MINA'TRENTAI UNU NA LIHESLATURAN GUÅHAN
2012 (SECOND) Regular Session

2012 NOV 29 AM 8:57
WLL

Bill No. 538-31(cov)

Introduced By:

T.R. MUÑA BARNES

AN ACT TO APPROVE THE TERMS AND CONDITIONS OF GUAM ECONOMIC DEVELOPMENT AUTHORITY PROJECT REVENUE BONDS TO FINANCE THE IRONWOOD LADA SENIOR VILLAGE AFFORDABLE MULTIFAMILY RENTAL HOUSING DEVELOPMENT; TO AMEND PUBLIC LAW 30-172 RELATIVE TO THE LADA ESTATES PROJECT ENSURING DEVELOPMENT OF PROJECT FOR AFFORDABLE HOUSING FOR THE PEOPLE OF GUAM; AND TO AMEND PUBLIC LAW 31-195 RELATIVE TO AFFORDABLE HOMES.

1 BE IT ENACTED BY THE PEOPLE OF GUAM:

2 Section 1. Legislative Findings and Intent. *I Liheslaturan Guåhan* finds
3 that §50103(a) of Title 12 of the Guam Code Annotated declares that there exists
4 in Guam a substantial and serious shortage of housing in all categories, which
5 shortage is inimical to the health and welfare of the residents of Guam and to the
6 economic development of Guam, and provides that the Guam Economic
7 Development Authority ("GEDA") is established in part for the purpose of
8 financing the construction of residential dwellings, including single family
9 dwellings, multiple family dwellings, condominiums and cooperative apartments.

10 *I Liheslaturan Guåhan* further finds that Ironwood Estates Guam
11 Development/Micronesia Community Development Corporation and/or related
12 entities have requested that GEDA issue and sell bonds in an amount not to exceed

1 Twenty Million Dollars (\$20,000,000) for the purpose of financing the acquisition,
2 construction and development of an approximately two hundred (200) unit senior
3 multifamily rental housing development to be located in Dededo, Guam, and to be
4 known as Ironwood Lada Senior Village (the "Project"), on Lots 10120-14 and
5 10120-16 Dededo, Guam which Project constitutes a "project" as defined in
6 Chapter 64 of Title 12 of the Guam Code Annotated. Chapter 64 of Title 12 of the
7 Guam Code Annotated authorizes GEDA to issue project revenue bonds for the
8 purpose of providing funds, among other things, to make loans and pay or cause to
9 be paid all or any part of the costs of any project, including the Project, and
10 provides that GEDA shall not sell any bond without the approval by *I Liheslaturan*
11 *Guåhan* of the terms and conditions of the bonds.

12 *I Liheslaturan Guåhan* has determined to approve the issuance of project
13 revenue bonds by GEDA for the purposes described in the preceding paragraph, all
14 subject to approval by *I Maga'låhen Guåhan* and the Board of Directors of GEDA
15 in accordance with law. §64106 of Chapter 64 of Title 12 Guam Code Annotated
16 provides that, except as otherwise expressly provided by GEDA, project revenue
17 bonds shall be special obligations of GEDA payable solely from the revenues or
18 money of GEDA specified in the resolution or indenture providing for the issuance
19 of such bonds, and that the such project revenue bonds shall not constitute "public
20 indebtedness" of the Government of Guam as that term is used in §11 of the
21 Organic Act of Guam. The resolution or indenture under which project revenue
22 bonds approved pursuant to this Act are issued shall provide that such bonds be
23 payable solely from revenues derived from the Project.

24 **Section 2. Approval of the Terms and Conditions of GEDA Project**
25 **Revenue Bonds.** *I Liheslaturan Guåhan*, pursuant to §50103(k) of Title 12 of the
26 Guam Code Annotated, hereby approves the terms and conditions of the issuance
27 of project revenue bonds by GEDA for the purpose of providing financing for the

1 Project, which financing may take the form of a direct loan to the owner of the
2 Project, notwithstanding §50103(i) of the Guam Code Annotated, in accordance
3 with the following requirements, limitations, terms and conditions:

4 (a) The aggregate principal amount of the bonds shall not exceed
5 Twenty Million Dollars (\$20,000,000);

6 (b) The final maturity of the bonds shall not extend forty (40) years
7 from the delivery date of the bond;

8 (c) The all-in true interest cost of such bonds shall not exceed
9 seven percent (7%) per annum;

10 (d) The sale of the bonds and the resolution or indenture pursuant
11 to which such bonds are issued shall be approved by the Board of Directors
12 of GEDA and the resolution or indenture pursuant to which such bonds are
13 issued shall be approved by *I Maga'låhen Guåhan* as provided by Chapters
14 50 and 64 of Title 12 of the Guam Code Annotated; and

15 (e) Such bonds shall be issued pursuant to a resolution or indenture
16 or providing that the bonds are special obligations of GEDA payable solely
17 from the revenues specified in the such indenture providing, and each bond
18 issued thereunder shall recite that it is not “public indebtedness” of the
19 Government of Guam as that term is used in §11 of the Organic Act of
20 Guam.

21 **Section 3. Section 2 of Public Law 30-172 is hereby amended to read:**

22 **“Section 2. Subsection (d) of Section 38 of Chapter VI of Public**
23 **Law 29-113, is hereby *amended* to read as follows:**

24 (d) A new Section 6.1 is hereby *added* to P.L. 20-225 to read as
25 follows:

26 Section 6.1. Prices for Rental Development. The
27 Property *shall* be sold to a private, non-profit organization or

1 for profit organization for the same price as reflected in Section
2 6 of P.L. 20-225, as amended. Rental developments *shall* be
3 developed for families whose income *do not* exceed up to one
4 hundred fifty percent (150 %) of the median income for Guam
5 households as established by the U.S. Department of Housing
6 and Urban Development (HUD). When the property is sold to
7 a private, non-profit organization or for profit organization to
8 develop affordable rental development the transfer of sale *shall*
9 have a deed restriction to ensure the following:

10 (a) In the event the private, non-profit organization or for
11 profit organization sells the Property after the rental period, the
12 Property *shall only* be sold to a first time homeowner. First
13 time homeowner, as it relates to this Act, *shall* be an eligible
14 buyer as stated on Section 5 of P.L. 20-225, as amended by
15 Section 38 of P.L. 29-113.

16 (b) In the event the private, non-profit organization or for
17 profit organization sells the Property after the rental period, the
18 Property *shall only* be sold to a first time homeowner at the
19 same value the private, non-profit organization or for profit
20 organization purchased the Property and as stipulated on
21 Section 6 of P.L. 20-225, as amended.

22 (c) When the private, non-profit organization or for profit
23 organization sells the house and lot after the rental period it will
24 recover any cost of the vertical construction, rehabilitation cost,
25 administrative fee, and the allowable developer fee allowed by
26 HUD. The developer fee can be *only* applied to the cost of the
27 vertical unit and *not* the land. As stated in Subsection (b) of

1 this legislation, the land will be sold to the first-time
2 homeowner with the same value the private, non-profit
3 organization or for profit organization bought the property as
4 stated in Section 6 of P.L. 20-225.

5 (d) The private, non-profit organization or for profit
6 organization purchaser of the "Lada Estates Affordable
7 Housing Project" shall assume all current and future liabilities
8 associated with all claims and liens filed against the property
9 including property taxes.

10 (e) The Guam Housing Corporation shall have the first
11 right of refusal to all mortgages for property sold by the private,
12 non-profit organization or for profit organization purchaser,
13 pursuant to Section 6 of Public Law 20-225."

14 **Section 4. Section 4 of Public Law 31-195 is hereby amended to read**
15 **as follows:**

16 "Section 4. Covenant to Build Affordable Homes. Notwithstanding
17 any provision of law, homes constructed on the properties [~~referenced in~~
18 ~~Section 3 of this Act~~] Lots 10120-14 and 10120-16, Dededo, Guam shall be
19 sold or rented in accordance with Public Law 30-172 (attached as Exhibit G)
20 within [~~six (6)~~] nine (9) years from the date of enactment."

21 **Section 5. Effective Date.** This Act shall become effective upon
22 enactment into law.

23 **Section 6. Severability.** *If* any provision of this Law or its application to
24 any person or circumstance is found to be invalid or contrary to law, such
25 invalidity shall not affect other provisions or applications of this Law which can be
26 given effect without the invalid provisions or application, and to this end the
27 provisions of this Law are severable.