Chamorro Land Trust Commission

(Kumision Inangokkon Tano' Chamoru)

P.O. Box 2950 Hagåtña, Guåhan 96932 Phone: 649-5263 ext. 651 Fax: 649-5383

Eddie Baza Calvo
Governor of Guåhan

Ray Tenorio
Lieutenant Governor of Guåhan

Commission Members

Michael J. B. Borja
Acting Chairman

David J. Matanane
Vice-Chairman

Amanda L.G. Santos
Commissioner

(Vacant)
Commissioner

(Vacant)
Commissioner

Monte Mafnas
Administrative Director

Rev. 09/21/2012

COMMISSION MEETING MINUTES
Department of Land Management Conference Room
3rd Flr., ITC Building, Tamuning
Thursday, September 19, 2013; 1:30pm – 3:35pm

I. CALL TO ORDER

Meeting was called to order at 1:30pm by Acting Chairman Michael Borja.

II. ROLL CALL

Present were Acting Chairman Michael Borja, Vice-Chairman David Matanane, Commissioner Amanda Santos, Legal Counsel Robert Cruz and Acting Director David Camacho.

III. APPROVAL OF MINUTES (July 18, 2013)

Vice-Chairman David Matanane moved to approve the minutes of July 18, 2013. Commissioner Amanda Santos seconded the motion. There were no objections, MOTION PASSED.

VI. PUBLIC COMMENTS

1. David Babauta Herrera – I am a resident of Agat and I come before the Commission to respectfully request for the Commission's assistance to facilitate a lease that I submitted for property located in Agat specifically Lot No. 189. Lot 189 way back in 1958 was granted to my family with a Land Use Permit reference number 40 and from 1958 to 1984 we had been paying the yearly fee of $40 dollars. So back in 1995 we have a neighboring property with the Nededog and Babauta family that were landlocked. So during that time Senator Ed Reyes, myself and Mr. Celestine Babauta kind of got together and decided to have a 40 foot access in my private property in exchange for a portion of Lot 189 on a value for value basis, that was in 95. So in 95 up until the present time it took us you know that length of time which is about almost 15 years and there was very little progress in the land exchange. Finally Mr. Celestine Babauta purchased property from the Moylan family to get access to their lot which is Lot 180. So what happened to the land exchange law that we implemented back in 95 was that we decided to go ahead and have Land Management return the property back to Chamorro Land Trust and I'm requesting to lease the property in that parcel Lot 189. So what happened between 95 and now is that the property was about maybe 2 acres and what happened is it was subdivided to have partial exchange on a size by size basis. So what we kind of concluded now is do a survey to consolidate the 3 parcel lots and have it into 1 parcel lot and lease hopefully for me to obtain a 99 year lease on the property for agriculture.

Acting Chairman Michael Borja – Okay so you have private property.

David Herrera – Yes sir.

Acting Chairman Michael Borja – And you allowed part of your land to be used as a right of way for landlocked owners behind you.

David Herrera – Correct.

Acting Chairman Michael Borja – And then there was a law that you had worked through back in the 90s to have a land exchange for what you gave away as land for easement a right of way that you were going to swap that for some other property.

David Herrera – Right which is the property that we were occupying under the Land Use Permit. Our private property and the Land Use Permit property were just adjacent.

Acting Chairman Michael Borja – And then you gave back that sliver of property.

David Herrera – No the two property owners that were supposedly landlocked one owner which is the Babauta family purchased a lot that would provide them access. They purchased a private lot that would open up an access.

Acting Chairman Michael Borja – So they don't need that piece that goes through your land anymore.

David Herrera – Correct. And then the other family which is the Nededog family somehow there was an assessment done by Land Management, for the record location of the road is Finili and apparently they found an access from the Finili side to Lot 182 if I'm not mistaken for the Nededog family. So that kind of resolved the land locked issue and what we wanted to do is kind of revert back and repeal.

Acting Chairman Michael Borja – But you have a law already in place in your favor that allowed you to exchange land.

David Herrera – Correct now because the (interrupted).

Acting Chairman Michael Borja – So technically then that sliver of land that leads to your neighbors behind you is public right of way.

David Herrera – Technically yes. What we needed to do was do all the survey and documentation and deed to transfer private to public, public to private and just for economic purposes right the rights of way crosses two rivers which is the Aaoao River and the Umang River. So to have rights of way crossing two (interrupted).

Acting Chairman Michael Borja – That piece of land that you guys switched over crosses rivers?

David Herrera – Yes and at that time 15 years ago the river was basically a creek that dries up during the dry season. But 15 year erosion created a huge valley that's equal the size of this room. That's how fast the erosion ate up the property so you know understanding our

financial condition with the Government with the Nededog and the Babauta family having access on the opposite end that did not require a bridge would be you know kind of prudent and feasible for us to say that would have resolved the issue for those two property owners. And they can proceed and subdivide their property for their family and we can repeal the law that we worked on back in 95.

Acting Chairman Michael Borja – But we can't repeal the law.

David Herrera – Or amend.

Acting Chairman Michael Borja – Well can't even amend the law that has to be the Legislature but I think the technicalities of your issue here can't be resolved at this meeting right now. What I highly recommend is that you do get together with Dave Camacho or his representative at Land Management or Chamorro Land Trust so we can iron out those issues. So Dave if you can just get his information and he'll be in touch and you need to establish an appointment to work out the details of what you need to have done. Okay because once we have the details of what we can do to help you if we have to approve it or disapprove it then that's what we can do but to try to iron out the specifics on this you know there's no map here for us to look at or anything. So we need to get those details ironed out by the staff.

David Herrera – Thank you Mr. Chairman.

Acting Chairman Michael Borja – Anything else?

David Herrera – That's it. Mrs. Margarita Borja does know the background of all the process that we're discussing she's been around for the last (interrupted).

Acting Chairman Michael Borja – Okay good.

David Herrera – Okay again thank you so much.

2. Arthur Gibson – I am here in regards to lease instrument number 690029. My wife received a land lease for Chamorro Land Trust property back in 2004 just before we were married. She passed February of this year. There's a land lease and it was jungle and for the next 10 years I (interrupted).

Acting Chairman Michael Borja – And your wife's name is for the record?

Arthur Gibson – Her name is Carmelita P. Gibson. She received the Land Trust lease in the name of Carmelita P. Camacho from her first marriage. She was divorced I have the divorce decree and also (interrupted).

Acting Chairman Michael Borja – But the property was under her name.

Arthur Gibson – Under her first marriage name. Her name was Camacho before we were married.

Acting Chairman Michael Borja – Right it wasn't under her name and her former husband's name. It's under just her name right?

Arthur Gibson – Just her name correct. And she had her name changed back to Carmelita P. Perez in 2003 so her name was changed. I don't know why she didn't change it on the lease.

Acting Chairman Michael Borja – You were here three months ago to discuss this and subsequently the following month I think the children of your (interrupted).

Arthur Gibson – I apologize for not showing up last month.

Acting Chairman Michael Borja – And so we're getting two different stories from two different periods of time. But Mr. Camacho did we resolve on who the beneficiary is on this property?

Acting Director David Camacho – The beneficiary is one of the daughters and the others are listed.

Acting Chairman Michael Borja – There were two beneficiaries named right and both of them were the children and at the time they allowed two beneficiaries to be listed but what we know now is that there should have only been one beneficiary. However two were listed and those of what we have to honor and that's the stipulation of what the rules and the policies are now for how we deal with these leased lands. So that when a person who the lease is originally assigned to identifies a beneficiary then we have to honor that as the legal document to which the property would be reassigned to.

Arthur Gibson – This was probably before we were married so what I'm saying is that I'm the surviving spouse. The premises was constructed by me alone. I cleared the property, I paid for the materials, I built the house and if the Chamorro Land Trust if their rules recognize surviving spouses that were not of the Chamorro descent there would be no problem in me being able now that I'm on dialysis I have tubes hanging out of me and I spent the last 10 years of my life building a home and I can't live in my own home.

Acting Chairman Michael Borja – I have to keep the emotional issues out of this and just take strictly with what we know as the facts and what we have to deal with as far as the laws and policies that we're governed by and we have to follow. In this case I think at the time we also told you that the issue was that we had to identify who the beneficiaries were and then when we did it was the children that were identified. Now we can't make any changes to that. That's not something we can do even though in this situation you believe that it should be your property or your home based on being the surviving spouse.

Arthur Gibson – It should be our home, it should be the family's home and I'm a part of the family.

Acting Chairman Michael Borja – Then that would be an issue you have to discuss with the individuals who have been identified as the beneficiary.

Arthur Gibson – But you changed the lease, you cancelled the lease in my wife's name and reissued it to someone else. And I'm saying that right there is in the right to take everything I owned that I've accumulated in the last 10 years everything that I owned is still in that house but I'm not allowed in there. They're selling my stuff.

Acting Chairman Michael Borja – Sir and I don't want to bring a family fight to the table here.

Arthur Gibson – It's not a family fight it's a disagreement between what is right and wrong. I am, the courts should decide whether or whether or not I have any legal responsibility to be on that property or in the premises that I constructed on that property. The land grant is yours. I have a statement here by everyone that lived around there that saw me build this house by myself. I own that house.

Acting Chairman Michael Borja – I wished you were here when the children were here so that we could have a discussion about it.

Arthur Gibson – I do too but I was in the hospital sir I was on life support in the hospital that's why I missed it. I apologize for not making it. I'm in a complete kidney failure and an ambulance had to take me in. I was hospitalized for a week. So I had my lawyer call you and explain why I didn't show. This document here I was told by the secretary to get it signed by the people who witnessed me building this house by myself day after day after day after day and I did, notarized. All of these are even the kids that are living in the house now that won't allow me to come in there.

Acting Chairman Michael Borja – Mr. Cruz do we have any other supporting legal documentation on matters like this where surviving spouses who are not been named as the beneficiary?

Legal Counsel Robert Cruz – I'm not aware of any. Sir you mentioned you had an attorney contact us.

Arthur Gibson – Yes.

Legal Counsel Robert Cruz – Who is that?

Arthur Gibson – Velaski, he called I called him from the hospital. I had, the security guard is my niece I had her call the lawyer and have them to call down here.

Acting Chairman Michael Borja – We don't have record of anybody receiving a call.

Legal Counsel Robert Cruz – And there were statements contradicting what you're saying made by your step children or by her children. She did name a beneficiary a valid one and that is who the Commission had decided to honor.

Acting Chairman Michael Borja – We have no recourse but to honor who the beneficiary has been identified as by your deceased wife and that's as far as we can go on this matter. If you wish to take it up any further I mean you've obtained an attorney if you feel you need

to go that route I can't stop you. I can't tell you not to. All I can tell you is that as far as the Chamorro Land Trust Commission goes we have to honor who the individuals were that have been identified as the beneficiary of the land and that's the end of that.

Arthur Gibson – Okay can I explain something, Christina Camacho is the oldest daughter. She's wheelchair bound and we built this house so that she could (interrupted).

Acting Chairman Michael Borja – Then the individuals named as the beneficiary need to determine how (interrupted).

Arthur Gibson – She's not living in the house because they abuse her. I'm telling you these kids have turned my home into a drug house.

Acting Chairman Michael Borja – Well sir I'm not going to allow you to continue to make any other kind of statements like that here. So in the interest of expediency in this whole matter this is not a place where we can decide this any longer. We've already determined that the beneficiaries in regards to this land are the individuals that we have to and we can only deal with on this matter and you have to take that with them specifically. Whether you do it through the courts that's your prerogative we cannot do anything further with that.

Arthur Gibson – If my wife designated me as the beneficiary would you accept that?

Acting Chairman Michael Borja – Well there are certain qualifications on who can be identified as the beneficiary and because you weren't named it then the matter is moot I'm not going to go beyond that.

Legal Counsel Robert Cruz – I would like to mention that at the last meeting that you attended you said that you were seeking guardianship through the court. Did that happen?

Arthur Gibson – No it did not happen. What happened was Christina was abused and the people at dialysis, the brother, I was put out of the house so I'm staying in a room at the school.

Legal Counsel Robert Cruz – The court did not give you guardianship?

Arthur Gibson – No it takes a while.

Legal Counsel Robert Cruz – That would have been the solution.

Arthur Gibson – Okay it takes a while but April and Jesse were supposed be trying to get guardianship but the people at dialysis reported them to Protective Services because they were abusing her and she was missing treatments. So her son, my wife's son came over to the school which I've been staying at illegally and told me you better go check on Christina because they're abusing her and she's not going to treatment. So I went over there and he took her. I'm not at the house I don't have a house to take her to. The children are staying there.

Acting Chairman Michael Borja – But what we did tell you last time as Mr. Cruz had mentioned is if you are identified, or if she is the beneficiary and you were taking care of her before I mean a solution would have been to obtain guardianship of this individual and then you could probably still continue to reside in the house since it belongs you know she is the beneficiary of the property. But those were the things that we laid out to you when you were here a couple of months ago. Again we can't go beyond that. So I really suggest that you try to find some resolution with the individuals who have been named as the beneficiary, there were two individuals on that document.

Legal Counsel Robert Cruz – And if you have retained counsel you should speak to him. Get some advice from your attorney.

Arthur Gibson – Okay thank you, well thank you for your time.

Acting Chairman Michael Borja – You're welcome.

3. Basil O'Mallan – Good afternoon, my legal name is James Basil O'Mallan, III but everyone knows me as Basil. I'm here at the very early stages of this process I was told I can come here for public comment. I submitted my application I was one of the original early applicants back in 1995 for agricultural land. I've been talking in fact a couple of meetings with members of Mr. Camacho's staff and I was told I just need to come here to see if I can get my application put on the agenda in the near future so we can get some movement with what the Commission is willing to do with my application.

Acting Chairman Michael Borja – Well we're still on the 1995 list right?

Commissioner Amanda Santos – Yes.

Acting Chairman Michael Borja – We're still on that list. One of the things that we've been asking folks who have been seeking agricultural property is to provide a farm plan.

Basil O'Mallan – We did.

Acting Chairman Michael Borja – So the farm plan is submitted okay. You're ready to retire?

Basil O'Mallan – No, no, I like my job too much.

Acting Chairman Michael Borja – So I think then do we know where his application is?

Acting Director David Camacho – We are addressing it and there's a couple of them on the list to place on the agenda when the time comes. We'll check it out and I'll discuss it with Mr. O'Mallan.

Acting Chairman Michael Borja – Okay but we're still trying to move along as quickly as we can on a lot of these properties. Some of the things that's been delaying the assignment of properties has been the fact that properties that were originally given out had no infrastructure whatsoever and as a result folks couldn't afford to bring water in whether it

was a property for agriculture or property for a residence and that's been a big, big problem. So we're trying to slice off properties that have infrastructure available in the area that they can tap into especially water and electricity. That's one of the things that we're trying to do.

Basil O'Mallan – That would be appreciated at least the water.

Acting Chairman Michael Borja – Yes at least water because you know it is extremely expensive. I mean we had an individual come forward not long ago that said he cannot exchange his property because it's going to cost him eighty grand just to run the water pipe into my property which is way above and beyond what you can afford. Many people can't afford that either. So that's one of the things that we're trying to do is to try and get properties to have some kind of infrastructure put in place before they're assigned out because it just helps you along as well.

Basil O'Mallan – Okay so I should get back with Mr. Camacho?

Acting Chairman Michael Borja – Yes please.

Basil O'Mallan – Thank you very much have a good day.

Acting Chairman Michael Borja – Thanks a lot, thank you for your wait.

4. Yvonne Guerrero – My name is Yvonne Guerrero and I am the daughter and beneficiary of the late Ivan DeSoto. I am here today to bring up the issue on Lot 7116-3. My father passed away last year and just before his death I found out that I was the beneficiary of his lease. Now this lease has been leased originally from my grandmother more than 30 plus years and it had gone down to my father now I'm the beneficiary. So what I did was I came in to submit my father's death certificate and have an amendment done for the name change and I was told that I needed to do a survey on the property. So I was given the authorization for survey. I did do a couple of extension because I didn't meet those days until just before the end of middle or latter part of June I did. I contacted a surveyor and I brought everything up and I didn't have a copy of the map so he needed to come in and get a copy and he said that he would come in and speak with the Director to see what portion of that property needed to be surveyed. So he started to do that and then after that I didn't get no phone calls from the surveyor. I even called him I left messages, I'm not getting no calls. And then I have a family member that came to me and said *hey, I'm going to be your neighbor. What do you mean? Well, the Director is going to cut your land and give me half of it. Like what are you talking about? My family and I have a 99 year lease here. Why would you say something like that? He goes well that's what they said the Director is going to cut it in half and give me 10 acres.* So he approached me twice and after the second time I decided that I needed to come in but prior for me to come in I was called, I was called in. They have held me or the property not being in compliance with the lease under three reasons. One, was because the annual fee that needed to be paid. Now my father has paid this, I've seen it for myself. I did go through all his records unfortunately, I was unable to obtain that receipt. Now if this is going to be an issue, they're saying that I have $15 dollars that I need to pay, I'll pay that right now to clear that off. Second, was that they were saying that the land taxes have not been paid on the property. Now as far as my father mentioning anything about paying land taxes he's never mentioned

anything. But from the time of his lease not one time did he receive any document saying this much is owed for this year or what, not one time. To top it off they're telling me that estimated taxes that need to be paid is at $16,000. Now my question is how can I be liable to pay something like that when in the first place the property is not even surveyed. There's no markers to pinpoint where each corner is. It's not registered. So how and why would I be liable to pay for something that is not registered? Third, they're telling me that according to my father's plan, I don't know if you guys have a copy, but this is a sketch that my father had drew out with his lease. Now I was told that practically all of this is not on the property okay. That's what I was told and that the inspector went out on July 3rd to do an inspection and he did take some pictures. Now my father had a heart attack in 2006. For 2006 he needed time to heal so that kind of like off-set him from going inside cutting the grass and doing his planting. But as he started feeling better he went in, all the time he went in, he kept up with the farm okay. Unfortunately, my father got hit with another disease in 2009 which continued to make his illness progress at a very fast pace and that explains the reason for the overgrowing the grass that's there. Now the inspector went in and took pictures of the place and I did go through it and these pictures are grass. It's the overgrown grass. Now they're telling me that all these plants of whatever my dad, all these plants that my dad had put on his plan is not there. He can't see it because the grass is overgrown. I've tried making many attempts to go in there and cut it so it can be visible.

Acting Chairman Michael Borja – What kind of plants?

Yvonne Guerrero – It's just a sketch of the different plants. You've got ornamentals, you've got vegetables, you've got fruits. We were doing seasonal and non-seasonal.

Acting Chairman Michael Borja – What kind of fruits?

Yvonne Guerrero – What kind of fruits? Well right now we have there's citrus fruits in there, we've been doing papaya, we've been farming tomatoes and cucumbers. Watermelons, we did watermelons.

Acting Chairman Michael Borja – How many fruits?

Yvonne Guerrero – How many fruits?

Acting Chairman Michael Borja – I mean they shouldn't be under the grass.

Yvonne Guerrero – Well you know sir right now there's as far as the open areas that's there those are the areas that we did our farming on okay seasonal things and sometimes we can't plant in this certain area because it's too rocky so we've got to move it. So we're doing our planting. A lot of our plantings got also destroyed through the colony of pigs that we've got in there and the only way to resolve it is to fence it up. Now these pictures that the surveyor took is like I said there is a lot of overgrown grass. You know what I can go in the farm and I can cut the grass and I'll invite each and every one of you including the media to come and see the development in there that it's being fulfilled and this land is in compliance. We're complying with it. So this is what I'm being told that this is the reason why that they're going to pretty much give me only 1 acre out of that because they said that when the inspector went in there they estimated that whatever tress and stuff that was there

was only equivalent to 1 acre. You know sir excuse me but that is a bunch of baloney. They cannot see it because of the overgrown grass.

Acting Chairman Michael Borja – What kind of trees can they not see because of overgrown grass?

Yvonne Guerrero – Sir it's here it's here on the plan. I don't know if you have a copy but there's a bunch of ornamentals and medicinal trees that have been planted. We have a big Norfolk occupying acres on both sides of the property. The coconut groves, we have the lemmais, we have the citrus, there's egg fruits, there's all kinds it's here and it's still existing on the property and my family throughout the 30 plus years we have been doing our farming.

Acting Chairman Michael Borja – But what it doesn't look like in these pictures is that it's been actively farmed and I understand that your father had passed away. My condolences on that but the issue we have here is what? The issue we have here is that the land is being reduced? You know the inspectors they just go out and they check to see what's the status on the leases are to determine whether or not there is any activity going on. We have people coming forward to us and there may be some today asking for agricultural property, the thing we ask is let's see your farm plan. Obviously that map may have been part of a farm plan. We need to know how active are you going to be and currently when people come in saying I want 20 acres it's not usually something we're going to give out. Back in the day when you're family received that property that might have been what people were being given out. But now we're more likely to allow the person to have a smaller lot of property so that we can determine whether or not they have the ability to do the farming that they need to do and when they demonstrate that ability if they come forward again then we can probably increase the lot size more. But as we mentioned before we're trying to make sure that the people who have applied for the properties are we're only still on the 1995 list are going to be assigned properties. And what we have been doing is going out and assessing properties that have been given out so that we can determine whether or not they're being utilized properly. If not in accordance with the lease then to determine whether or not that property should be reduced in size and reassigned to others that are currently on the list. Now as far as the property tax goes I'm sorry but the owe is on the person who's received the lease to understand that perhaps maybe there is a tax on that and it does I believe stated on the lease that you're responsible for the property taxes. The fact that you may not have received a document that said you owe the taxes does not remove the obligation to pay the taxes. So as far as the taxes go we can't do anything about that. That is a matter in which needs to be taken up with the Department of Revenue and Taxation. That's their responsibility if they want to do anything with the taxes. All we do is say this piece of property is now assigned to this individual, here's the information on the person and they do the taxation on it and they do the collection on it. That's where it goes there. So when it comes to those taxes then I'm sorry that's something that has to be looked at on their end.

Yvonne Guerrero – Well I will take the initiative to go forward with Revenue and Tax on that.

Acting Chairman Michael Borja – On the property lease I mean for $15 dollars I mean we have no record of payments either on that?

Acting Director David Camacho – None that we knew of.

Acting Chairman Michael Borja – Well the only thing that I can say on that is if no one can present a record of payment then there may not have been a record of payment.

Acting Director David Camacho – I don't know who mentioned about $15 dollars but we never did mention any $15 dollars for compensation.

Yvonne Guerrero – I have it here, I have a document and it's from the files and I'll read it to you right here. It says here the lease in the law 21GCA, 75108b requires an annual rental of $1 dollar and shall be paid in yearly installments each in advance commencing on and continuing on the 1st day of each and every year thereafter for the remaining of this lease. Annual rental due is $15 dollars.

Acting Director David Camacho – Okay that's for the 15 years that have passed by on the property since the lease started.

Yvonne Guerrero – And like I said I did go through my father's and it's God's honest truth that I did see the receipt although I went through my father's file and unfortunately I was unable to obtain that to show the proof that it has been paid. He paid the $99 dollars he paid for the whole 99 years. So like I said if that's going to be an issue I can pay for that right now.

Acting Chairman Michael Borja – Well that's really not so much the issue it's the issue we have presently is that the property as it's been inspected have been found to be negligent and not used in according to the lease requirements that were laid out when the lease was originally assigned. So that's the reason why. You're not the only person we have gone towards and said the property that you were assigned is not being used if it was an agricultural property it wasn't being used properly and we've reduced the size of the property in accordance. We don't kick the person off but we reduce the size and then allow you if you want to come back and show that you can do the farming we'll increase the size back again. But in this case what we're looking at is the ability to allow others to occupy and use the property as we have asked it to be used. There's other things that go along I mean there's this agricultural farm plan that we ask. There's certain things that we ask them to do as well so they're able to plant the proper things for that type of soil. There's water conservation or water collection measures in place. I mean there's a whole strew of things and we make the Department of Agriculture and the University of Guam Extension Program available to these people so that they have the ability to know how to do the things the right way. And you know many cases it looks like the trees were planted but it's not as far as the plan your plan originally shows it's not in that because it's been inactive for quite a while.

Yvonne Guerrero – It's been inactive because of my father's illness. What is he supposed to do? I mean it's an act of God that he got sick. So of course those things are going to be on a standstill okay. But now that he put me as a beneficiary I want to continue, to continue

further with his plans. All these things, all these plants sir that is here is there on the property. And I don't know where they got their estimation as far as them estimating that it's only consuming 1 acre which is what they want to give me. All of these things sits on over half of the property and they're only going to give me 1 acre? My family and I have been farming on this we've been for 30 plus years. Why now that my father passed away and I'm the beneficiary and I'm taking the initiative to do this I'm being told that it's going to be cut and given to so and so and I'm only going to get 1 acre? What about all the hard labor that my family and I is putting here? And that I with my family will continue to go in and do it, to do what needs to be done to plant. Why? It doesn't sound fair to me.

Acting Chairman Michael Borja – But we have to look at the fairness of all the general population who are also looking for land.

Yvonne Guerrero – Okay sir then if that's the case allow me to go in and cut the grass okay and I'll show you guys.

Acting Chairman Michael Borja – But there's more than just cutting the grass. If you're going to become the new farmer out there then I need to see a farm plan from you. I need to see what your farm plan is going to be and if you already have existing plants that are there and existing trees how is that going to be incorporated into this property and let's work from there.

Yvonne Guerrero – Okay.

Acting Chairman Michael Borja – Because like we've asked with all the others and we're going to try to be fair with everybody we're going ask them all the same thing. We want to see your farm plan and how you plan on executing it. In some cases we've had some guys that came in a couple of months ago I knew they could probably farm 40 acres but we only gave them 5. They need to prove to us that they have the ability to do what they said that they're going to do and if they show and demonstrate the ability to have a good agricultural system set up then you know we'll entertain the idea of increasing that because they've shown that. But what has happened in the past we're not going to continue because we can't just arbitrarily give out a 20 acre lot here and a 20 acre lot there and then people squat on it and do nothing to it. That may not have been the situation here and unfortunately it looks like your father may have done some stuff but because of his illness was not able to tend to the land on a regular basis and as a result it got overgrown. But we have others who have been not only un-using it but misusing the property and it has resulted in us having to go in to do some environmental clean-up. And that's not what we want, we don't want properties to be misused and to be abused because it's in the Trust and that's what we have to make sure is that it's still good for others to use okay.

Yvonne Guerrero – Okay I'm asking the Commission if they can please consider and like I said allow me to go in there and cut the grass and continue the farming the way my father and my family has had.

Acting Chairman Michael Borja – Can you please work with Mr. Camacho and the CLTC staff and understand what we need as far as an agricultural plan goes. Present us with an agricultural plan, do what you can with the existing property. Mr. Camacho let's see what

we can do to not move on this land area just yet if there is any other people that's been assigned there. And let's give you the opportunity to come forward as soon as you can okay and get yourself on the agenda not just walk in as a public comment but just try and get yourself to be placed on the agenda so we can go in detail with what you've got available. You can present it beforehand so we can review it before the meeting and we can see what you've got okay.

Yvonne Guerrero – Okay.

Acting Chairman Michael Borja – And these agricultural plans I mean there's a template for you to use and it's how you're going to use the property. Just take a look at the template but work with them on what they've got and they'll help you out okay.

Yvonne Guerrero – Alright I thank you very much, thank you.

Acting Chairman Michael Borja – You're welcome.

V. OLD BUSINESS

1. Eugenio Aguon – Lot clarification

Acting Director David Camacho – The reason why Mr. Eugenio Aguon came in is because we invited him and on the last meeting when he appeared before the Board the Board approved with the direction of Mr. Monte Mafnas our Director to give him the property up in Mangilao for his farm to utilize for agricultural farm. However, the property that was earmarked for him is Ancestral Lands Commission property. So he's here for us to clarify and to correct the problem. I told Mr. Aguon that would be Matt to check further closer to the area whether we could find some (interrupted).

Acting Chairman Michael Borja – Well that piece of property we're looking at before was adjacent to what you currently have right?

Eugenio Aguon – Exactly.

Acting Chairman Michael Borja – And that part belongs to Ancestral so is there anything else in that area?

Acting Director David Camacho – Well behind the Ancestral is Land Trust property so we're going to take a look at that whether there's property available for him to utilize.

Acting Chairman Michael Borja – Okay so we had a motion the last time you were here to assign that property to extend his farm.

Acting Director David Camacho – Right.

Acting Chairman Michael Borja – So you're still looking into other properties?

Acting Director David Camacho – Yes.

Eugenio Aguon – Well the way it was shaped is like a triangle I believe on the map and it's actually a GovGuam Ancestral I guess, it's not assigned to any family. I guess it's called Crown Land or something.

Acting Director David Camacho – It is Crown Land property.

Eugenio Aguon – I was wondering since the whole place is GovGuam, a portion of it is Ancestral maybe you can do a little land exchange.

Acting Chairman Michael Borja – Well that's not as easy as saying that. There's some legislation probably required to do anything like that. I mean if we can go get legislative approval whether it be a, probably not to do a swap (interrupted).

Acting Director David Camacho – For Crown Land property it belongs to the Land Bank recipients, it's not in essence we would not consider it Government property it belongs to the Land Trust under a public law. It's embarked for all those people who cannot take back their property from the Federal Government or Government of Guam. So it's a Trust and it's very hard to (interrupted).

Acting Chairman Michael Borja – To do a land swap.

Eugenio Aguon – It's also they gave us 40 feet easement on that area.

Vice-Chairman David Matanane – On whose property? Where is the 40 feet coming from?

Eugenio Aguon – This is the original map. The ancestral property is 5286 is the family. This is the GovGuam 5289 that you're saying is Chamorro Land Trust but apparently I guess this is the boundary line for the Ancestral and then they gave the 40 feet easement for the 5 families which is Pangelinan, Aguon, Duenas, Fejeran and then we gave 20, 20 for Villagomez.

Acting Chairman Michael Borja – So he's still working on trying to find the property in that area okay so let's see what we can find.

Eugenio Aguon – In July we were approved with Monte.

Acting Chairman Michael Borja – Right.

Eugenio Aguon – I guess Dave found out that it's (interrupted).

Acting Chairman Michael Borja – But what we'll do is we'll just have to move to approve in a change of the lot on our side of the house.

Acting Director David Camacho – We'll be checking on the back side whether there is an available, I know its Land Trust property but we'll check on it.

Acting Chairman Michael Borja – Can we have something for the next meeting? Work with Mr. Aguon so that we can you know something that he can work with and then we can approve it formally in another meeting okay. Sorry about that.

Eugenio Aguon – Alright thank you.

VI. NEW BUSINESS

1. Guam Housing Corporation – Request to use the Sagan Linahyan property for model homes

Ceasar Villanueva (GHC) – Thank you Mr. Chair and thank you for the Commission, my name is Ceasar Villanueva, I am the Special Assistant to the President Martin Benavente. Unfortunately he's not here today, he's running late, he has a previous engagement and wasn't able to make it. Just a little overview we're asking to use some property up at Sagan Linahyan in Astumbo, Dededo to put out some alternative building systems to promote the use of CLTC properties for future land owners or lessees so people can actually develop these properties for home ownership. We had put out an RFI in March of this past year soliciting some proposals from various developers who are interested in building structures that would be affordable below $100,000. We know that CLT has a lot of property out there, a lot of people that want to build but cannot afford to build. These structures have certain requirements that we put on the table through the Affordable Housing Coordinating Council which DLM Deputy Director is a member of and we got a lot of proposals back from these developers. Some of the structures are Class A rated and non-concrete. These structures are going to be affordable. We're requesting to put at least 10 lots, requesting to use 10 lots to build these structures as model homes.

Acting Chairman Michael Borja – 10 different model homes?

Ceasar Villanueva (GHC) – 10 different model homes.

Acting Chairman Michael Borja – Is this the property over there in that area called Dollar Homes?

Ceasar Villanueva (GHC) – That's correct.

Acting Chairman Michael Borja – That's those empty lots in that area that we talked about a few months ago.

Ceasar Villanueva (GHC) – Yes sir. I know that CLTC is bound by certain provision that it has to be for recipients and those can be done. We have the ability in our office to actually qualify people that wish to do that.

Acting Chairman Michael Borja – So you need 10 lots to build 10 models homes.

Ceasar Villanueva (GHC) – 10 different model homes.

Acting Chairman Michael Borja – So that folks can have an idea of what they can build and probably get a loan application through.

Ceasar Villanueva (GHC) – That's correct. Guam Housing Corporation does have a Housing Trust Fund that is public law right now that is looking for funding sources. We're working with the legislature on through various Senators mostly with Senator Barnes who is the Housing Chair to fund that Housing Trust Fund so we can finance these homes. Many of these homes already have been preapproved by DPW. They are insurable but they're non-concrete which is great because we all know that concrete is king out here on Guam right now.

Acting Chairman Michael Borja – What are they?

Ceasar Villanueva (GHC) – They're metal, some of them are wood. They have some that are a combination of both, some are foam. There is one that I just met today it's a combination of concrete, foam. The great thing about it is we all know that CLTC has a lot of recipients that want to build homes but can't afford the basic concrete structure.

Acting Chairman Michael Borja – So who is paying for these model homes to be built?

Ceasar Villanueva (GHC) – The developer is 100%.

Acting Chairman Michael Borja – Okay and so you've already gotten some feedback from the developers.

Ceasar Villanueva (GHC) – We've got feedback on it in fact we are going to have a housing expo that's scheduled for October 19th. It's going to be held at the Phoenix Center, Father Duenas Phoenix Center. We have about 6 developers that will be presenting and showcasing those homes. But we would actually want to have them build on these properties if we're given permission to do so. We're working on the details with Mr. Camacho.

Acting Chairman Michael Borja – Okay I know Monte has been mentioning this as well in trying to get a few things done so they got something that they can look at. And these model homes who is going to be managing them? Is there going to be some site staff there?

Ceasar Villanueva (GHC) – It will be part of the lease agreement. We're hoping to have that lease agreement with these developers that they will manage the properties and maintain them because they are going to be model homes they have to be maintained. Of course they're going to be vacant. We're giving that year time so in a year those lots can be put out to the recipients that are able to purchase these homes.

Acting Chairman Michael Borja – Yes so they can actually be bought.

Ceasar Villanueva (GHC) – That's correct, actually occupy it, that's correct. I have a sample of one of those metal homes here.

Acting Chairman Michael Borja – Do we need to have a motion here to allow these lots? What do we need to do here?

Vice-Chairman David Matanane – Maybe we identify where the lots are.

Acting Chairman Michael Borja – Yes do we know the lot number?

Acting Director David ~~**Matanane**~~ CAMACHO – Since it's a private enterprise I believe we do need a motion on that.

Vice-Chairman David Matanane – We're going to need in whereabouts in Sagan Linahyan.

Ceasar Villanueva (GHC) – Yes on the back side. Where would that be Dave on the back side?

Acting Director David Camacho – Going to NCS.

Acting Chairman Michael Borja – Do we have a map that shows those lots? That's what we need to have.

Acting Director David Camacho – We do have a map but not with me right now.

Acting Chairman Michael Borja - We need to identify the specific lots.

Ceasar Villanueva (GHC) – If I can take 5 minutes Mr. Chairman I can get the copy of the map.

Acting Chairman Michael Borja – Let's take a 10 minute break here.

(Break: 2:27pm – 2:40pm)

Acting Chairman Michael Borja – On the matter of property for the Guam Housing Corporation to use to build model homes in Sagan Linahyan the area we're looking at in dedicating empty lots for the purpose of building these model homes would be on Tract 1113, Block 12, Lot Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9 and 28. Do we need a motion to allow these properties for the Chamorro Land Trust Commission to be used by the Guam Housing Corporation to build model homes for the purpose of CLTC applicant's to see as homes that they can qualify for and have built?

Vice-Chairman David Matanane – Move to approve those request for Sagan Linahyan on Lot 1, 2, 3, 4, 5, 6, 7, 8, 9 and 28, along lot Chalan Apache, its right across Chalan Apache.

Commissioner Amanda Santos – I second it.

Acting Chairman Michael Borja – So the motion is to approve from Tract 1113 in the municipality of Dededo from Block No. 12, Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, and 28 for the Guam Housing Corporation to use to build model homes for Chamorro Land Trust recipients to review for homes they can qualify for and build on their properties. The

motion has been made and seconded. Is there any other discussion on the motion? There being no other discussion all in favor say aye.

Vice-Chairman David Matanane – Aye.

Commissioner Amanda Santos – Aye.

Acting Chairman Michael Borja – Aye. The ayes have it, MOTION IS PASSED.

2. GEDA MOU

Larry Toves (GEDA) – Hafa Adai and Good Afternoon Mr. Chairman and members of the Chamorro Land Trust Commission Board. My name is Larry Toves, I'm the manager of the Real Property Division up at GEDA. With me here today before you is our Board of Director's Chairman Mr. E.J. Calvo to my left. To my right is Mr. Mike Cruz from the Real Property Division staff and also Mr. Diego Mendiola who is the assistant manager for the Real Property Division. Mr. Chairman we're here before you today as a follow up to the Memorandum of Understanding that we exchanged between both our agencies and approved by the Governor back in April of this year. Basically GEDA is tasked to manage commercial properties under the inventory of the Chamorro Land Trust Commission. So in doing so a couple of months back the Chairman, myself and our Deputy Director met with Mr. Monte Mafnas to discuss a portfolio if you will at least to get the MOU in motion. So there are two properties that came about and Mr. Monte Mafnas wanted us to proceed expeditiously with this. What you have before you here is an introductory memo signed by our Chairman and I'll just go ahead and let our Chairman give you a brief on this.

E.J. Calvo (GEDA) – Thank you from the Director, I'm very excited to be working with our Real Property Division and Chamorro Land Trust through this MOU working to create some economic activity, revenue for the Chamorro Land Trust Commission as well hopefully more jobs and tax revenues for our economy. In our previous meetings with Monte we identified two properties or two properties were shown to us that we feel are the most attractive and deserve the most attention at this point. I think it would be a good opportunity to chat about the RFPs we intend on putting out with your approval to the public so we can look at drawing some investments. The first property was the old hospital point known as Oka Point. What's interesting about this is that I think over 10 years ago there was a bill passed authorizing GEDA to work with the Chamorro Land Trust to seek out investments and developments of this site. It's about 10 years ago. So an RFP was put out over the years there's some history in regards to interest to develop this site preferably towards the tourism industry and nothing's been closed throughout the years. Nothing has been developed so we went back and looked at the opportunities and in other meetings with both GVB and the Hotel Restaurant Association and other stakeholders we feel now is an exciting time to look at developing this property because Guam is actually at a shortage of hotel rooms during peak seasons and there has been interest on the island for additional hotel investment. This is obviously talked about as an excellent site for that purpose. So we're excited. Another thing in the works is in October the Guam Airport Authority, GVB and GEDA have partnered together to attend the very prestigious international hotel investment conference in HongKong. We're going to be going out there promoting Guam, marketing Guam as a hotel investment destination. Not for tourists but for hotel investors and operators. We'll be showing them the full package and one of the things I think would be exciting is to also have

this property as an example of real estate available on the island for hotel development. Again I circle back to the point that it has been determined by GVB that we're actually leaving some business opportunity on the table during peak seasons with not enough hotel rooms currently in our inventory which is I guess a good problem to have, growing tourism numbers. So we're prepared with a highlight list. I guess the team is working on the RFP to be issued again for Oka Point. I don't see this being a quick RFP process as this is mostly likely a very large investment. Maybe there's some strategy in terms of renewing this RFP over time if we're not getting any immediate interest but I think potentially the effort that we'll put into marketing this property and generating maximized revenues for the Land Trust and for the economy is very exciting.

Acting Chairman Michael Borja – Great. A couple of things before we go into that one of the things I know in the agreement was for you guys to help in drafting the rules and regulations for commercial leases and licenses and I just needed to know if you guys are proceeding towards that because I don't want to totally jump the gun and then we have an un-legislatively approval on a lease for the rules and regulations on commercial leases, commercial licenses. So we need to try and get that part done too. I appreciate, I think that's a great idea in going out and getting someone out there to look into it at a meeting like that. But we also have recent legislation that kinds of ties our hands up on the length of licenses to 5 years but it's written in the law and there can be exceptions to those. So that has to be kind of like a disclosed issue to whoever is potential so that we can come back from them because nobody is going to want to lease any piece of property and build 2million dollars of a hotel property and it's only good for 5 years. So the length of time that they're going to want is probably going to be 50 years and beyond. So we need to come back once we have someone who's pretty interested in it to get that law made so that we can get that exception to whoever is interested and we have to let them know that they're going to have quite of bit of folks behind it to try and make that happen. Because the 5 years is not going to work for a big property like this so we just need to make sure that there's full understanding on everyone's part that that's what the laws says now and that's what we have deal with.

Larry Toves (GEDA) – Absolutely Mr. Chairman and thank you for bringing that up. If you look at your packet there is a determination of need that addresses that specifically. So we're presenting this determination of need that kind of outlines our justification for wanting to enter into a long term lease for this particular piece of property. So the way the law is written we prepare a determination of need, we present it to the Commission, the Commission either approves or disapproves it, if you approve the determination of need we then take it to the Governor for his approval and then from there it goes to the legislature. Concurrently at the same while this is going on we need to publicize in local media circulation of our intent of doing this. So this is all done prior to or concurrently with the Request For Proposal. So you have that in front of you if we can get you to review it and if you can either disapprove or approve it we can go ahead and proceed.

Acting Chairman Michael Borja – The determination of need.

Larry Toves (GEDA) – For this property for the Oka Point property.

Acting Chairman Michael Borja – So we need to approve this determination of need, is that what you're asking?

Larry Toves (GEDA) – Yes sir.

Vice-Chairman David Matanane – The contract has been promulgated already? Your next step here is CLTC approval of Determination or DON for extended term contract. Do we have the contract?

Larry Toves (GEDA) – No sir not at this moment.

Vice-Chairman David Matanane – Okay because I thought you have the contract.

E.J. Calvo (GEDA) – It's just the determination that we are moving towards on developing the contract.

Vice-Chairman David Matanane – As its stated for extended term contract and the contract which I was reading on our MOU was only effective as of April 24 when the Governor signed it.

Larry Toves (GEDA) – Yes that was April of this year.

Vice-Chairman David Matanane – It doesn't work out because if you look at page 4 of the MOU you have only 3 years and you have to renew it.

E.J. Calvo (GEDA) – No I think you're referring to our MOU between our agencies. The determination of need for a contract is a potential contract with a lessee for the Oka Point property not between us.

Vice-Chairman David Matanane – And you're asking for how long?

Mike Cruz (GEDA) – The determination of need suggests 50 years plus 49 for a private developer to utilize Oka Point. As the Chairman indicated it's not GEDA using. The 3 year term in the MOU is still (interrupted).

E.J. Calvo (GEDA) – That's the term of our MOU between us.

Vice-Chairman David Matanane – Yes this is ours but on the Oka Point itself which is also part of the MOU isn't it?

E.J. Calvo (GEDA) - Yes.

Vice-Chairman David Matanane – So the MOU itself has (interrupted).

Acting Chairman Michael Borja – No they're able to do this based on our MOU. What this determination of need is that they are our approval that to say that they are trying to get somebody that leases property in this case Oka for a period of 50 years plus 49. Right is that what you're saying?

Mike Cruz (GEDA) – Subject to negotiation.

Acting Chairman Michael Borja – But that's still subject to legislative approval. We're just saying they can talk to them and try and push this point as part of the agreement with the developer but the developer also knows that it's got to be approved by the legislature. They're just going based on ours so they want a place of try and shoot for a 50 year lease. I mean that's pretty much standard. 99 actually right that's what we're looking here is 99, 50 plus 49 extension.

E.J. Calvo (GEDA) – We have some precedence because of the initial legislation, the bill 10 years ago authorizing GEDA to seek development of this property for those terms. So we're just re-eliminating that.

Vice-Chairman David Matanane – And that expired, the original contact?

E.J. Calvo (GEDA) – No that law was there it was really just superseded by the more recent law, 5 year requirement on legislative approval. So I guess several months ago we still we're moving forward on this.

Vice-Chairman David Matanane – And we're just having our new MOU.

E.J. Calvo (GEDA) – Yes so we're just rejuvenating the MOU.

Vice-Chairman David Matanane – But's that doesn't extend the count.

E.J. Calvo (GEDA) – It doesn't extend our MOU but it allows us to lease the property long term once again.

Vice-Chairman David Matanane – But on our MOU that's where I'm coming from, on our MOU on number 7 the terms of automatic renewal and all that.

Acting Chairman Michael Borja – Well that's just for them to be acting on our behalf.

Vice-Chairman David Matanane – The contract then is between GEDA and CLTC?

Larry Toves (GEDA) – The MOU is between our two agencies. Any contracts that we do with (interrupted).

Vice-Chairman David Matanane – But there is no other business activities that has you know relating to our MOU.

Acting Chairman Michael Borja – The actual contact is going to probably end up being between the Chamorro Land Trust Commission and whoever is the developer.

E.J. Calvo (GEDA) – The developer yes.

Vice-Chairman David Matanane – I know where you're coming from but you know I'm just curious because you opted for extended term contract with you know when you allege that this is probably your perspective right? This is your perspective?

E.J. Calvo (GEDA) – Yes.

Vice-Chairman David Matanane – So that's where I'm coming from.

E.J. Calvo (GEDA) – Is this what it's called in the law that they require this?

Mike Cruz (GEDA) – Yes.

E.J. Calvo (GEDA) – I guess it's in the new law I wish I can refer to it by name but the law requiring legislative approval would be for any contract above 5 years. It requires for something called a determination of need for exceptional term contract. So if you're going to sign a contract longer than 5 years it requires this document to be approved and that's what we're working on right now.

Acting Chairman Michael Borja – And that's what they're asking us because it's our property.

Vice-Chairman David Matanane – Okay. We skipped the 7163-R1.

Acting Chairman Michael Borja – But we want to do this determination of need just on this Oka first.

E.J. Calvo (GEDA) – We're talking about Oka Point first.

Acting Chairman Michael Borja – Is this template that you're using did you guys get it from somewhere or is it a standard template?

Mike Cruz (GEDA) – It's actually part of the request for proposals that we normally issue with so if the Commission approves this, the Governor approves it then we would extract this and place it into an RFP which we would then publicize for perspective developers.

Vice-Chairman David Matanane – Is that set in stone already? The Governor approval of DON October 6, 2013; publicize notice in newspaper October 9.

Acting Chairman Michael Borja – These are just their proposed steps for the timeline.

Larry Toves (GEDA) – Barring any other hurdles in this process this is pretty much a projected schedule that we developed going forward with this process.

Vice-Chairman David Matanane – But determination of need they're going to go out there and try and market the area right?

E.J. Calvo (GEDA) – Yes.

Vice-Chairman David Matanane – And you're asking for how long for you guys to market?

Acting Chairman Michael Borja – Well as long as they need to find.

Acting Director David Camacho – This determination of need is a criteria that they need to present to the legislature because of the 5 years. It cannot go beyond the 5 years unless it's approved the legislature. If you do this, present it ahead of time it might go up to 50 years and 60 years of the lease.

E.J. Calvo (GEDA) – We're asking for proposals that I think will determine the term.

Acting Director David Camacho – They need the legislative approval on this first.

Vice-Chairman David Matanane – But then you're trying to circumvent the 5 year rule right?

Diego Mendiola (GEDA) – No sir the 5 year law allows, it will allow for longer than 5 year leases as long as it's approved by the Legislature. So we're not taking to circumvent we're just asking for approval.

E.J. Calvo (GEDA) – It will have to go to the legislature for final.

Diego Mendiola (GEDA) – Yes.

Larry Toves (GEDA) – Maybe if we put it in this perspective Mr. Matanane if we can get a developer to do this in 5 years we wouldn't be here asking this. But you won't find a developer who's willing to financing out for 5 years.

Vice-Chairman David Matanane – Who knows maybe tomorrow.

Acting Chairman Michael Borja – No, they're not going to pay for something for only for 5 years.

E.J. Calvo (GEDA) – That's why this documents is provided to show why it's needed long term.

Acting Chairman Michael Borja – And what you're showing here too I kind of like this you know in the past they've given a 1 year extra on the lease for every million dollar investment so you know if this guy is going to invent 5 hundred million dollars that's (interrupted).

Diego Mendiola (GEDA) – At least longer than 5 years would most likely be necessary.

Acting Chairman Michael Borja – Yes.

E.J. Calvo (GEDA) – A lot of what I was saying earlier you'll find in this determination of need regarding the tourism industry, the location of the property and its access points. What leads us to kind of put out there to potential bidders that this is an excellent hotel site development, that's what we're looking for. It's the right use of the property and that's also

included in the determination of need. There's another thing that's noteworthy is an adjacent lease from Chamorro Land Trust to a cultural non-profit group of an additional 8½ acres I believe. So we mentioned that because it's a short term lease that it should also be considered in any proposal as we go out to RFP that whoever is going to propose development on this property should consider the neighbor and either working with them or somehow incorporating their mission because we'd like to also make sure that the intent of that lease is continuing. They're not going to be put in the backdoor.

Acting Chairman Michael Borja – Well in this case I guess Hurao, I mean you got a cultural organization there and I think a lot of the things I've been seeing from tourist exit surveys is that they want to see cultural activities.

E.J. Calvo (GEDA) – Absolutely so there's a very good relationship there and so we note that in the Request for Proposal.

Acting Chairman Michael Borja – I don't see any problems in this determination of need document. Do you guys have any problems with this? I mean it is kind of important. They need this as far as the law goes for them to be able to proceed in talking to potential developers. Any problems Amanda with this determination of needs? Do you still need some more time to review it?

Commissioner Amanda Santos – No.

Acting Chairman Michael Borja – Okay do we have a motion to approve it?

Vice-Chairman David Matanane – I move that we approve the determination of needs for Lot 5173-1-R2NEW-R11.

Commissioner Amanda Santos – I second it.

Acting Chairman Michael Borja – Okay the motion is to approve the determination of need exceptional term contract for Lot 5173-1-R2NEW-R11, Tamuning, the Oka Point property and it's passed.

E.J. Calvo (GEDA) – We'll come back with an update hopefully we receive also counter approval from the Governor's Office and that public notice come out. We're going to try to stick to this timeline that's all it is. We'll keep you abreast; we're working for you guys.

Acting Chairman Michael Borja – It's a pretty aggressive timeline.

E.J. Calvo (GEDA) – It is but it's a goal.

Acting Chairman Michael Borja – Well good luck. When is this conference?

E.J. Calvo (GEDA) – The HICAP conference the Hotel Investment Conference of the Asian Pacific region and we had team members attend a smaller version of it last year in Singapore who made some excellent contacts and subsequent to that had some visits to Guam.

Acting Chairman Michael Borja – When is this next one?

E.J. Calvo (GEDA) – The next one is October 16th or 17th and I believe that's why hence the aggressive dates we were able to seek your approval at this Board meeting and hopefully have public notice before that conference so that officially we have a property available for marketing because we don't want to do it unofficially. We'll be able to officially now once we get approval from the Governor's Office, publicize the notice and then go to this conference with an official packet. So we'll continue working on that.

Acting Chairman Michael Borja – But we also need to also still push forward as far as GEDA goes on these Rules and Regulations because there's some demand from the legislature for that to be done.

E.J. Calvo (GEDA) – Understood. Moving to the second property identified was Lot 7163-R1 in Yigo and this property I guess was discussion of the development of a residential community and looking at generating revenue as well as possibly licensing for mineral extraction so that we can develop this property for residential use. When we looked at this opportunity it was suggested that this actually is not a lease it's a licensing opportunity. No leasehold ownership needs to be transferred because CLTC is the developer and landowner. So what we're looking for in the RFP is basically a developer or contractor who will propose a master plan for residential development which is something that as one of the primary missions we're trying to accomplish and then at the same time propose revenue or license fees for the mineral extractions. So basically to be able to terrace and use the property in order to pay for the development of a residential community.

Acting Chairman Michael Borja – So we have this area in the back of Yigo by Smithbridge, the property adjacent to Smithbridge, so the irony is they can have some properties that they extract minerals over time. They don't do like a mass excavation of the whole area and then what they remove they replace back with earth so that it's not like a big hole. And you're right they terrace it then we have properties that can be used for residential use and the moneys that are earned from that can help to pay for the infrastructure development.

E.J. Calvo (GEDA) – On a more exciting note in talking to Monte we actually felt like the actual mineral rights would be valuable enough to also require infrastructure development. So although there will be revenues potentially to be negotiated for the mineral extraction should also be on top of not only clearing the property but also putting in infrastructure. Whether full sewer or maybe half acre lots without sewer those to be negotiated depending on the contract to be negotiated later. But the idea is that we're going to look for to publicize that we're seeking for developers for those purposes and our goal is to take a piece of property and create a community that would be viable for Chamorro Land Trust to use for residential lots as well as generate revenue for the agency.

Vice-Chairman David Matanane – Mr. Chair, I believe a couple of years back or maybe just a year or two there was somebody that is interested and they have approached Chamorro Land Trust on that and I think it's Duenas or anyway look into the record because I believe there was somebody that is interested in that piece of property. Where they're

going to take mineral rights out and then refill it and terrace it so there will be a view out towards the ocean. I believe if I remember correctly about a year or so and it was a developer that approached us. Is it the same developer that you guys are?

E.J. Calvo (GEDA) – We don't have it no.

Acting Chairman Michael Borja – They're just putting an RFP out and they'll find who's interested.

E.J. Calvo (GEDA) – We actually have experienced other interests to do projects like this and I think because in the interest we sat down with Monte.

Vice-Chairman David Matanane – You have nobody else in mind?

E.J. Calvo (GEDA) – No we'd like to put it out there and get proposals to present to you and we can negotiate and secure the best possible arrangement.

Acting Director David Camacho – There are some interested developers who are looking into that.

Vice-Chairman David Matanane – Yes and they have reported to us already and I would like to maybe just remind me if you look into the record somebody was interested and has already approached Chamorro Land Trust and I'd like to find out has he backed out or not. Because if we have already approved it we're going to have some problems.

Mike Cruz (GEDA) – Along the line with what Commissioner Matanane is saying we did speak with Margarita and there seem to be at least the CLTC approval of a lease for this particular piece of property to Guam Rocks. We did see a letter from Guam Rock's legal counsel regarding this particular piece of property but we also understand that CLTC rescinded approval of that lease. I think we're also here to request clarification from the Commission on the status of that lease because clearly we would not be able to advertise this piece of property if there is an existing lease.

Vice-Chairman David Matanane – Let's put it this way, have Mr. Camacho look into that because if I remember correctly there was somebody interested. I don't remember if we approved or disapproved of it.

Acting Chairman Michael Borja – I think we've had the different rock companies trying to source of another property to be able to get some minerals from and they were going to go in together on this. We were going to go with something but I think the license agreement limitations kind of cancelled a lot of that. I don't think it proceeded to where we had anything final when that thing came about. But they're still interested in doing something I mean they've still been looking to obtain additional minerals not just for current use but I think to stockpile.

Mike Cruz (GEDA) – They could respond to the RFP.

Acting Chairman Michael Borja – Yes they could respond to the RFP. So what we're having here then is just an RFP that you guys want to put out on this thing so we can see who's interested. So this person that you're saying Dave is interested in (interrupted).

Vice-Chairman David Matanane – I am not too sure whether we approved of it or it's all part of the stock hold leases and all that because of our confrontation with the legislature and all that and we had to, but I'm not too sure whether we have approved of it already that we're going to make sure that we have not approved anything. All I'm saying is there was somebody and I was sitting in this particular well not this room but I remember somebody was interested in it and to take the minerals out and going to tier level all the rocks so they can have anybody gets a good view of the ocean. So all I'm saying is let's make sure before we even do that.

E.J. Calvo (GEDA) – Director would it be possible to move forward with the approval to develop and issue this RFP subject to clarification that it's not currently dedicated or committed to any party as we were made to understand. But it'd be good if we have approval subject to so we're not saying (interrupted).

Vice-Chairman David Matanane – Yes I just want to make sure that we don't commit ourselves to you guys when we have already approved of it.

Acting Chairman Michael Borja – Who can look up and see if there was any motion on approving somebody in the past? I don't think there has been. Before our time?

Commissioner Amanda Santos – We didn't approve of it.

Vice-Chairman David Matanane – No, no it was back then.

E.J. Calvo (GEDA) – There's going to be some action at the site.

Acting Chairman Michael Borja – Yes there would have been something going on. So do we need to look back historically and find out if there was any motion to it? Is there a way Terese you can find something, research?

Teresa Topasna – Yes.

Vice-Chairman David Matanane – I don't remember the name but I know (interrupted).

Acting Chairman Michael Borja – I just know Monte's been talking about it quite a bit.

Acting Director David Camacho – Other than having an approved agreement there is no approve of any.

Vice-Chairman David Matanane – Are you sure.

Acting Chairman Michael Borja – They just need to get our approval to submit an RFP based on the research if there's nothing. So I think if we can go ahead and move along and approve for them to go ahead and push on this RFP.

Vice-Chairman David Matanane – Subject to the verification of our records to see that we have not dedicated that piece of property to anybody.

Diego Mendiola (GEDA) – If there was already a lease in place then we would not move forward with that.

Vice-Chairman David Matanane – Either you or I or the Board itself would not commit that if we already committed it.

Diego Mendiola (GEDA) – Yes sir.

Vice-Chairman David Matanane – Okay say the motion but subject to that particular item and I believe you guys can work it out with Dave so we just don't want to commit ourselves again to you guys marketing it and somebody has already been determined.

Acting Chairman Michael Borja – Let's make this motion that we allow Guam Economic Development Authority to proceed with an RFP on Lot 7163-R1 in the municipality of Yigo provided that there are no other designated activities that have been approved for that.

Vice-Chairman David Matanane – If I remember correctly I think that they portioned that out and Smith Rock they were already taking the mineral rights. It's a big lot.

E.J. Calvo (GEDA) – I know they're adjacent so possibly adjacent to that. In my meetings and review of the maps at Land Management we're looking at a 404 acre parcel. There's going to be situations where we have to bring Department of Agriculture to the table to talk about that to ensure as we move forward with the proposals that it meets all requirements. One of the things that I have discussed with our team in the staff in the past was also I'd recommend that we push for a master plan of the entire parcel even if development is going to be on sections because you don't to have puzzles that you're going to have to put together later on. It's recommended that with this initial RFP we ask developers to (interrupted).

Acting Chairman Michael Borja – To master plan the entire and then section it off.

E.J. Calvo (GEDA) – Let's say the proposal is do a section of say it's 50 acres we're not going to have to figure out to match the next 50 and the next 50. We have a plan that we can both move forward with and say now we're just looking for developers because we have a plan that you've approved. So that was the suggestion.

Vice-Chairman David Matanane – That's how I remember because we had to portion it out because it's such a big lot and when we give it to them for the next 50 years and then we're going to be, and if they didn't do anything on it and we're still sitting on that land and nothing moves. So I suggest that if it should happen we should portion it out.

E.J. Calvo (GEDA) – GEDA is very excited to work with you to maximize everything that we can get and also again it's another economic stimulus.

Acting Chairman Michael Borja – And it's a great partnership, I don't know why it wasn't done sooner so it's just great. **So we have a motion on the floor. The motion is to allow Guam Economic Development Authority to proceed with an RFP on Lot 7163-R1 in the municipality of Yigo provided that there are no other existing issues for that piece of property. Do I have a second?**

Amanda Santos – I second it.

Acting Chairman Michael Borja – Any questions? Any comments? All in favor say aye.

Vice-Chairman David Matanane – Aye.

Commissioner Amanda Santos – Aye.

Acting Chairman Michael Borja – Okay the motion is passed.

Acting Chairman Michael Borja – Thanks a lot guys appreciate it.

(Break: 3:20pm - 3:22pm)

VII. <u>DIRECTOR'S REPORT</u>

1. Monthly revenue report for July and August, 2013

Acting Director David Camacho – In your packet you'll find the revenue just on the monthly revenue report.

Vice-Chairman David Matanane – Mr. Chair, I would like to give kudos to the staff and management.

Acting Chairman Michael Borja – Yes good job guys for putting together this report.

Vice-Chairman David Matanane – And also with the collection that happened that was in the paper.

Acting Chairman Michael Borja – So noted, good job for the staff.

2. Waiving of taxes due by CLTC applicants

3. Reduction of acreage

Acting Director David Camacho – On the first item A and B, A is the same as the one that we already addressed, Yvonne Guerrero about the tax and the reduction of acreage on Lot 7116-3, Yigo. Number two, Ignacio and Amparo Guerrero, Tract 9, Block F, they were given 5 acres and there's no activities on the property and if possible termination. On this Amparo, Mr. Chair, this is the one that was given a lease agreement and instead of utilizing the property that was given to her she was utilizing another acreage down the line. So the farm that she's on is on a different farm. So most likely this one Tract 9, Block F and

terminate the lease agreement on this and do another one for the other property that she's been utilizing.

Acting Chairman Michael Borja – Have they been made aware yet?

Acting Director David Camacho – Yes we had consultation with her. Number 3, Ignacio Guerrero, that's the other parcel that they were farming on. We have discussed this with them and we're going to reduce the property from (interrupted).

Acting Chairman Michael Borja – Is that the same person, Ignacio and Amparo?

Acting Director David Camacho – Yes. The one that they're located at are only utilizing almost 2 acres or less than 2 acres so the reduction from 5 acres to 2 acres we're on the verge of doing that.

Commissioner Amanda Santos – Where is this in Barrigada?

Acting Director David Camacho – This is Barrigada Heights.

Vice-Chairman David Matanane – Have you wrote them a letter stating that?

Acting Director David Camacho – That's another one that we're going to be doing.

Vice-Chairman David Matanane - We need to notify them that we are planning on doing that.

Acting Director David Camacho – Number 4, George Quidachay, Lot 278-3 municipality of Umatac, this is the father's lease and it went down to him as a beneficiary, 6 acres, no activity, reduction to 2 acres. We're getting back 4 acres. It's agreed, he agrees to it too because he cannot do the 6 acres. Number 5, Frank Jackson portion of Lot 5382-R7 this is in the back of Barrigada Heights again, 5 acres. He's the one that asked us to reduce the property down to 2 acres and again upon researching I think portion of the property that was given to him is still under military reservation.

Acting Chairman Michael Borja – Well so was it ever surveyed?

Acting Director David Camacho – Well they did the survey but it's an open area, it's not confined.

Acting Chairman Michael Borja – Yes but when they surveyed it they should realize once it's surveyed where that property actually was and if it wasn't included in military property they should have known that right away.

Acting Director David Camacho – This was done way back. Number 6, Pedro Quidachay Cruz, deceased, portion of 7150, 5 acres, no farm activity, reduction to 1 acre.

Acting Chairman Michael Borja – And that's to the beneficiary?

Acting Director David Camacho – Yes. On the last C., we're having a lease signing and a deed signing. Agriculture leases of 19 and residential leases will be coming up on September 23rd.

Acting Chairman Michael Borja – Give us the time okay so when you know this.

Acting Director David Camacho – The time is going to be at 10am in the morning.

Acting Chairman Michael Borja – 10 am, conference room?

Acting Director David Camacho – Conference room. Also since Commissioner Matanane already acknowledged the staff of CLTC I'd like to tell the Board too that I want to recognize again the staff of CLTC for doing the job and they're on top of everything that's happening. As you notice that we did an advertisement inviting all these 95 recipients to come in and check on the status. It was publicized on the newspaper and we've been receiving some walk-ins and some inquiries and all those things. As I said we're doing our utmost best to address all the applicants.

Acting Chairman Michael Borja – Right and as you have all these reduction in properties like Ms. Desoto you know we need to just take those on a case by case basis because they definitely will have their issues. Some of them you know rightfully would say yes I can only handle 2 just give me 2. In her case she wants to keep all 20 but they just need to justify it just like we're asking current people to justify it because you know I don't know how she's going to farm 20 acres unless you've got a helper.

Acting Director David Camacho – We did when we sat down I did bring out as to what type of equipment and all those things and whether you have some employees to hire and all those things.

Acting Chairman Michael Borja – Do we need to respond to Senator Rodriguez's letter?

Acting Director David Camacho – Yes I believe we do with the advice that we're revisiting the Guerrero problem. The last one I want the Board to be aware that our new budget 2014 we're hiring one individual to work with CLTC and another land agent to police all these Land Trust properties. Going out and identifying all the violations and all the nonconformance and all those things. Again one of the job is to address all the lease agreement that have been made since way back and are not even under the Rev and Tax inventory to generate real property tax.

Acting Chairman Michael Borja – Okay. On the next meeting can we be brought up to date on a couple of those issues that are going on, the Layao, and you we were talking earlier about Bello and I know we proceeded on a month to month with the golf course. But just any of these things that have been coming up and any of these people who come walking in on the public notice just if there's any follow ups after they meet with you. What's going on and all those things just so we can have an idea that we can close those things off that they be satisfied. But we have to I think that one individual was trying to trap us on whether or not he was eligible as a beneficiary and I didn't want to discuss that at all because he wasn't named it so why discuss it.

Vice-Chairman David Matanane – He didn't qualify anyway.

Acting Chairman Michael Borja – Well that's my point, he wanted to argue that.

Acting Director David Camacho – There's one more on the GICC the collection that we did on the arrears there's one thing we're waiting for them to provide us whether they did pay off the real property tax.

Acting Chairman Michael Borja – Well they've been pretty good so far right on everything. I mean they haven't been negligent or sitting on it.

Acting Director David Camacho – They came in and we sat down a couple of times.

Acting Chairman Michael Borja – As long as they're talking because the ones who don't talk are the ones that get in trouble.

Vice-Chairman David Matanane – Have all the positions that happened and got numbered already been eliminated or you still on hand? On the budget.

Acting Director David Camacho – All the positions are there but most of the positions don't have any funding.

Vice-Chairman David Matanane – But the numbers are still there.

Acting Director David Camacho – The numbers are still there. Just to let you guys know the budget we are short by a hundred some thousand.

VIII. <u>EXECUTIVE SESSION</u> – None.

IX. <u>ADJOURNMENT</u>
Vice-Chairman David Matanane moved to adjourn the meeting. Commissioner Amanda Santos seconded the motion. Meeting adjourned at 3:35pm until the next meeting on October.

Transcribed by: Teresa Topasna: Teresa Topasna

Approved by Board motion in meeting of: Oct. 17, 2013 *Subject to correction on page 17.

David V. Camacho, Acting Director: D. V. Camacho Date: 10/17/13

Michael Borja, Acting Chairman: Michael Borja Date: Oct 17, 2013

* Page 17; 3rd line down to read Acting Director David Camacho.