



Chamorro Land Trust Commission

(Kumision Inangokkon Tano' Chamoru)

P.O. Box 2950 Hagåtña, Guåhan 96932

Phone: 649-5263 ext. 435 Fax: 649-5383

REGULAR BOARD MEETING AGENDA

Department of Land Management Conference Room
3rd Flr. ITC Building, Tamuning
Thursday, March 19, 2015; 1pm

- I. CALL TO ORDER
- II. ROLL CALL
- III. APPROVAL OF MINUTES
 1. February 19, 2015
- IV. PUBLIC COMMENTS
- V. OLD BUSINESS
 1. Commercial Rules and Regs
- VI. NEW BUSINESS
 1. Ricardo T. Garrido & Daniel Yamamoto – Lease addition
 2. Loan Guarantee Application – Jay Ryan Blas
 3. Loan Guarantee Program & Notices
- VII. DIRECTOR'S REPORT
 1. Revenue collection report for the month of February 2015
- VIII. EXECUTIVE SESSION
- IX. ADJOURNMENT

Eddie Baza Calvo
Governor of Guåhan

Ray Tenorio
Lieutenant Governor of Guåhan

Commission Members

David J. Matanane
Chairman

Joseph I. Cruz
Vice-Chairman

Amanda L.G. Santos
Commissioner

Pascual V.A. Sablan
Commissioner

(Vacant)
Commissioner

Michael J.B. Borja
Administrative Director



Eddie Baza Calvo
Governor of Guåhan

Ray Tenorio
Lieutenant Governor of Guåhan

Commission Members

David J. Matanane
Chairman

Joseph I. Cruz
Vice-Chairman

Amanda L.G. Santos
Commissioner

Pascual V.A. Sablan
Commissioner

(Vacant)
Commissioner

Michael J.B. Borja
Administrative Director

Chamorro Land Trust Commission

(Kumision Inangokkon Tano' Chamoru)

P.O. Box 2950 Hagåtña, Guåhan 96932

Phone: 649-5263 ext. 435 Fax: 649-5383

COMMISSION MEETING MINUTES

Department of Land Management Conference Room

3rd Flr, ITC Building, Tamuning

Thursday, March 19, 2015; 1:07pm – 2:43pm

I. CALL TO ORDER

Meeting was called to order at 1:07pm by Chairman David Matanane.

II. ROLL CALL

Present were Chairman David Matanane, Vice-Chairman Joseph Cruz, Commissioner Pascual Sablan, Commissioner Amanda Santos, Legal Counsel Kristan Finney and Administrative Director Michael Borja.

III. APPROVAL OF MINUTES (February 19, 2015)

Commissioner Amanda Santos moved to approve the minutes of February 19, 2015. Vice-Chairman Joseph Cruz seconded the motion. There were no objections, MOTION PASSED.

IV. PUBLIC COMMENTS

1. Vincent Aguon – My name is Vincent Aguon and my wife Lillian Aguon. Our question is we don't understand what you guys consider squatters or invaders. I came up to your office a couple of times. Now not just myself but other neighbors are really getting fed up with this one neighbor and it's getting too dangerous for him and his family around there. So I was informed by one of the neighbors if I can come here and see what can be done before these guys start getting picked on by the other people and I said yeah we should because there are kids there. We don't need this thing not on Guam we don't need this. We don't need family feuding or whatever, Chamorros/Chamorros the way I see it. But this situation is really getting bad I mean we have human feces, these guys have no power or water so naturally no toilet nothing. We go into the woodland to get tangantangan you step on human feces from this neighbor. Trash right now there's two lumps it used to be just look like they're just stacking it until they get a truck. Now it's going to take at least four large dumpsters I mean large dumpsters to get rid of these people's trash. Now we're getting rats. We're like God when is this going to stop. Now the other neighbors are getting mad because the rats now are getting to their side. I cannot speak for you this is my wife's land but I can speak as a concerned resident because that's all I am there a resident my wife owns the property.

Chairman David Matanane – Where are you guys located at?

Vincent Aguon – Nevermind Road off of Ysensong, Dededo. It's been inspected don't get me wrong Chamorro Land Trust came out they told them a

Rev. 10/16/2014

few times you guys got to pack up, this building is illegal or this right but they just blow off the inspectors.

Administrative Director Michael Borja – Can you give me your lot number?

Vincent Aguon – If you guys go out there it looks okay from the front but go around the corner oh you'll start seeing things. They're invading the neighbor's property and the guy is pretty smart about it.

Administrative Director Michael Borja – From Ysengsong Road you go down the road it's on the left or right?

Lillian Aguon - Right.

Administrative Director Michael Borja – And how far down?

Vincent Aguon – Once you go down Nevermind Road it's the second right you'll see a pink house right when you make a second right that's where we live. Right next to it you're going to see well it used to be three houses but because of the complaint about the people on the back the neighbors started to try to get rid of that one house so hopefully they move out but they didn't.

Administrative Director Michael Borja – What are they living in?

Vincent Aguon – Canopies.

Administrative Director Michael Borja – Canopies, they have no power, no utilities?

Vincent Aguon – Nothing. They got four kids.

Commissioner Amanda Santos – Are they Chamorros?

Vincent Aguon – Chamorro Saipan and they're saying that they don't have to listen to nobody because their Auntie owns that property. And I asked the inspector what's considered abandoned because they came here from Florida told us they're just here to secure the property as soon as they did that they left back to Florida. We've been watching the place to make sure nobody is stealing or nothing and then all of a sudden these things start happening.

Administrative Director Michael Borja – The people from Florida they built a house there?

Vincent Aguon – No they claim that property they got awarded the property. They came here to get the property, they got awarded the property and they left again.

Administrative Director Michael Borja – From Chamorro Land Trust now these people are staying there?

Vincent Aguon – The lady's husband is from Saipan, he's moving all his family into that property.

Administrative Director Michael Borja – Do you know the name of the people who are from Florida?

Vincent Aguon – Palacios, Glenda.

Administrative Director Michael Borja – Glenda Palacios? Don't we know those names already?

Vincent Aguon – There's a lot of complaint coming to the Chamorro Land Trust of that property.

Administrative Director Michael Borja – This is off Ysengsong?

Vincent Aguon – Yes. That's what I've been saying we've been up to the office a few times because now we got big rats and these are coming from that stack of trash.

Margarita Borja (DLM) – It's on Batulo right?

Administrative Director Michael Borja – No it's not Batulo.

Lillian Aguon – Nevermind Road after Batulo.

Vincent Aguon – They were telling us Glenda Palacios was supposed to be down to Batulo Road okay but Glenda said that's bs Chamorro Land Trust don't know what we're talking about this is ours and leave my family alone. So okay the best way to do this is to go to Chamorro Land Trust and sir it's getting bad.

Administrative Director Michael Borja – What is your lot number ma'am?

Lillian Aguon – My lot number is 10122-25.

Administrative Director Michael Borja – Have we had anyone go out there and look at it?

Margarita Borja (DLM) – Yeah and he's right there's about three structures out there and there are human feces that were found there. I did speak to her this morning but (interrupted).

Administrative Director Michael Borja – Can we file a complaint with EPA?

Vincent Aguon – I tried with EPA right but they said because its Land Trust I got to go (interrupted).

Administrative Director Michael Borja – We have to do it.

Vincent Aguon – Yeah and like how is that I mean yes it's Land Trust but this is still Guam, you are Guam EPA.

Administrative Director Michael Borja – So we'll make those reports.

Vincent Aguon – I even tried going to CPS I even drew them a map please help these kids because man these kids they don't have restrooms. When it's not raining they don't shower. They don't have toilet paper I mean can you imagine the skin rash and stuff right. It's bad, CPS never did show up I was like wow what's going on. For me to see it and not report it I'm committing the crime because those kids don't know how to do it for themselves.

Administrative Director Michael Borja – I'll go on out and have a look and I'm going to try to get the Dededo Mayor with me to go and see because once we evict them it becomes a problem with somebody else right. These people especially the children are going to be without a home so we'll have to work out with Social Services to figure out a placement for these people as well. I don't like to say that I'm in the business of evicting people but when it has to be done it has to be done.

Vincent Aguon – If they were doing something to help the property they are staying in and not piss off the people around them you guys won't even know they were there.

Administrative Director Michael Borja – Do you know the name of these people that are in this place?

Margarita Borja (DLM) – Sophia Palacios she's the ex-wife of Jose.

Vincent Aguon – Right but she's not the problem she's trying to solve the problem.

Margarita Borja (DLM) – Yeah so it's Jose Palacios' family that's in there.

Administrative Director Michael Borja – Is this the one with the two wives?

Margarita Borja (DLM) – Yeah.

Vincent Aguon – The old lady staying there she's trying to clean it so the neighbors don't get mad.

Administrative Director Michael Borja – Okay we're familiar with this there is a strange domestic issue going on with this whole case as well.

Vincent Aguon – It's like back and forth we're getting tired we're the one like wow we're right next to them.

Administrative Director Michael Borja – I know and I understand and thank you for bringing it to our attention because it's not a good thing to have to live next to especially if there are rats that are starting to come around.

Vincent Aguon – And the guy the old man there if he needs to pee he just whip it out and I have my daughter you know and I've warned him boy don't ever let me catch you again peeing towards my house because I'll throw you rocks you know. That's nasty there's a law against that you know you cannot just flash little kids your private you know. But I don't have a camera to take a picture and if I take a picture then I'm invading their privacy and then the charge is reversed to me. That was our main concern coming here is what is considered squatters because we don't know. We don't know the law.

Administrative Director Michael Borja – Have you guys met with either Margarita or Matthew already? Have you talked to either one of them?

Lillian Aguon – No.

Vincent Aguon – Mr. Sean has been trying to help us and Mr. Acfalle trying to counsel us also. Every time they leave these people show up and start acting up again.

Administrative Director Michael Borja – Every time who leaves?

Vincent Aguon – When they see Land Trust vehicle leave they pop up.

Administrative Director Michael Borja – So what is a good time to go there?

Vincent Aguon – Actually whenever you guys show up somehow they know. They know somehow they know they just go back to the jungle or go to that neighbor next to them. Even those neighbors are getting tired of them but they go over there hang out wait until they see the Land Trust truck go or the Mayor's jeep go then they pop back up again.

Administrative Director Michael Borja – Okay I will go out and have a look. I do go out and take a look at these things too and we'll work this. After this meeting when you guys are ready to leave could one of you guys just please get all the details from them contact information and all that. Maybe what we need to do is have them fill out a written complaint.

Vice-Chairman Joseph Cruz – Can I make a suggestion to check with Public Works and condemn whatever building is there under our purview so that the notice of condemnation is there so that they'll be aware of it and all they have to do is call the Guam Police. That would be the proper process to condemn our building because it's on our land.

Vincent Aguon – You guys evicted them like two, three times already.

Administrative Director Michael Borja – And they came right back?

Vincent Aguon – They came right back. They'll leave when you guys tell them okay you guys got to go they'll take a bag and go then at night we see them come right back with that same bag they took because you guys are gone. They did this somewhere because they didn't just pick this up like this they did this somewhere else and they already know how to do it to you guys.

Chairman David Matanane – Thank you and it will be taken care of.

Vincent Aguon – Oh thank sir, thank you Mr. Borja.

2. Angel Santos – I have something to say, Mr. Director I don't know which one has the voice you or the Commission but I don't know which one so I need to address the problem with but I don't want to say it out here because they're going to know who complained. I went up to Ysengsong there's a group of families they built houses on the corner of the road and they bring sign there that if you go in there it's your own fault and this is a problem for the Chamorro Land Trust. That's why I want to talk in person I don't want it in the media because they are very dangerous for my family too.

Administrative Director Michael Borja – Well I don't suggest that you go out and try to enforce anything on your own but bring it to our attention like we asked these people to give it to us in writing where this is at so we can definitely have it documented about (interrupted).

Commissioner Amanda Santos – Or take a picture of the place.

Angel Santos – You know who's letting these people going in to the Chamorro Land Trust? Is the people that got the land from the Chamorro Land Trust Commission you know. And they're letting people out as staying on the property that they occupy and that's where the problem is. The Micronesians are not going into the land it's our own people that that are making them go in. I know what they are doing. It's very ugly what they're doing to those people. They're treating those people like I don't want to say it but they're getting something out of the you know. I know because I used to work in Micronesia in 1965 and I know what's going on in there. So if we can talk in person. We have to stop this problem.

Administrative Director Michael Borja – Give us a better description of where this is at so we can find out who has the lease for that property so we can try and confront directly. Even if it's just a picture to show us where this is at we can figure it out.

Angel Santos – Why can't it be like Saipan? You know nobody can go inside in their property.

Administrative Director Michael Borja – Well you know we don't allow that either but we can't enforce too much when I don't have the people that can even do that. We're working that it's not a fast process unfortunately.

Angel Santos – We have to move them out right away otherwise we're going to be in trouble.

Chairman David Matanane – I tell you what after the meeting or whenever you can see Mr. Borja at his office and do submit a complaint. Not out in the media but at least he will receive the complaint from you in writing and then he can (interrupted).

Angel Santos – Before my boy died he's regretting that he opened the Chamorro Land Trust. He's regretting because what's happening now is very bad. Mr. Bordallo put this out so that the Chamorro people who don't have land and houses to keep the land and the Government would still be alive the Government of Guam and that's the reason why Mr. Bordallo do that. But so far it's been discriminating you know.

Chairman David Matanane – You know and I heard of you saying other complaints that you have mentioned to me.

Angel Santos – The only time you can remove these people out Mr. Borja is to talk to the official the high official. Tell them to tell those people to move out because I know that the first time they put out this FSM I read the story and they cannot come to Guam unless they're going to school, the parents who have work here and the house they can come in here. But they just can't come in here at any time they want to come. But right now they're coming in and (interrupted).

Administrative Director Michael Borja – Right but that's beyond our control sir I don't think we can control who can come on to the island or not. But we are trying to work on figuring out how to do the land parts and there are other parts that are involved and if you believe that it might be somebody who has a legitimate lease but they're letting other people sublease it then yes that is a serious problem. We'll be enforcing those.

Angel Santos – I know for one person and maybe he makes about \$200,000 from that Chamorro Land Trust and he's not here on Guam. The Chinese are the ones occupying the land. They're using the water and they're not paying the water.

Administrative Director Michael Borja – Okay well get with me okay and let's get the details so we can go out and look. I know you come to the office down here all the time so come on upstairs just tell them to call me.

Angel Santos – I'm only complaining by myself it's not because of Amanda.

Administrative Director Michael Borja – No, no, no come on up.

Angel Santos – You don't blame my wife about what I said.

Administrative Director Michael Borja – No, no sir we won't.

Angel Santos – Anybody has been stepping on the Chamorro people.

Administrative Director Michael Borja – I need the details so we can find this out because we need the specifics okay.

Angel Santos – I don't know whether you people know about the 2000 Micronesians that are being hired by the hotel on Guam. I don't know if any of you knows about that. I think you don't know Mr. Borja.

Administrative Director Michael Borja – Well there's a Micronesian Empowerment Organization.

Angel Santos – No this is 1990 or something like that they hire Micronesians that don't even know what a spoon is. Now they are very expert in the hotels. My daughter is very beautiful, one of my daughters is beautiful applying for that job but they deny her for that job. Her name is Rita Santos. She did apply but they don't want to hire her because they're going to hire Micronesians in 1990 or year 2000, I think 1990. 2,000 of them and most of them are working in the hotels right now. They cannot hire Chamorros because they are occupied by Micronesians. And you can do something about that Mr. Borja I think you're the only person that can do that.

Administrative Director Michael Borja – Okay well come on up if you want you can make an appointment with Myrna to meet with me okay.

Angel Santos – Thank you.

V. OLD BUSINESS

1. Commercial Rules and Regulations

Administrative Director Michael Borja – I just wanted to bring you up to speed with the Commercial Rules and Regulations it's still with the Attorney General's Office to be commented on. I had a discussion with the Attorney General and with Carl Espaldon who is the Chief Solicitor on Friday to talk about the rules and regulations and to ask to them to please move it along. So the Attorney General did give instructions for Mr. Espaldon to haste in his review of the process or to get with me and Kristan Finney to go over the details if there are any things that are of concern. The only thing that might be of concern would be the section in there which we discussed the preferences being given to those of Chamorro ancestry which we may have to modify as to being preference to those who are eligible for CLTC. People who are eligible under the law, the Chamorro Land Trust Commission law which is not a racial or an ethnic qualification but a time based qualification. There is a definition within Chapter 75 of the law that talks about this so it's just going to be a reference to that section in the law.

Chairman David Matanane – Are you referring to Senator Espaldon?

Administrative Director Michael Borja – No, no Carl Espaldon is the attorney who is the Chief Solicitor for the Attorney General's Office. I've been pushing, Kristan has been reminding them regularly as well but I did have a discussion with the Attorney General so that's where it's at. I've been hoping it will be something I could have seen already being sent down.

Chairman David Matanane – We're still handcuffed until such time that we push it through the Legislature.

Administrative Director Michael Borja – There's a lot of folks all waiting for this thing all around, GEDA is waiting. Because once that thing is processed through we're going to begin initiating the actions needed to engage in commercial activities, getting the Determinations of Need, getting duly enacted legislation to give us the authority to proceed things like that. Those are not done overnight but we can at least get them started and introduced before the rules and regs are done so we can at least get that or at least get them drafted up. So that's where that's at I'm hopeful that next month I can tell you that they have been transmitted. If there's anything of significant changes that need to be made I'll get a determination whether or not it still has to go through here for review or back upstairs to the Attorney General's Office for concurrence again or if they're just going to say make these changes and we're good to go.

Chairman David Matanane – What you do think? If we have anything that we left out and you have you know come across it then please do.

Administrative Director Michael Borja – But any of the changes like even just defining specifically what the eligibility is for giving preferences. I mean that's nothing that's going to be significant it's not anything we're creating we're just specifying a segment of the law. So that's all it will be okay.

VI. NEW BUSINESS

1. Ricardo T. Garrido & Daniel Yamamoto – Lease addition

Administrative Director Michael Borja – In this specific case we have a lease that is already for Ricardo T. Garrido. There is a need to do an amendment to his existing lease because they wanted to swap out land that he originally had in Umatac for property that he is already using up in Dededo. The original lease talks about a portion of a lot that's in Umatac and this amendment was going to clarify that. The second part of the amendment was also to add on an additional person to this lease. This additional person is Daniel Yamamoto. Daniel Yamamoto is not a common law partner he's not a legal partner. His is a member of the family he is the son of his sister. But this is a legal binding document and to have joint owners like this or joint lessees we haven't seen in the past. The usual joint lessee is because it's a husband or wife whether by legal common law or by legal marriage but I have not seen anything like this. It just seems it's something that's being done as an opportunity to an individual to place their children into lands and to try and acquire lands from other family members without them going through the process of acquiring themselves.

Chairman David Matanane – How old is Ricardo Garrido? How did he get the lease from Chamorro Land Trust and when?

Administrative Director Michael Borja – He applied in December of 1995 so he's got it through the whole process. He was born in 1967 so he's going to be 45 years old. It's a residential lease.

Chairman David Matanane – Is he in agreement with this particular type of lease arrangement?

Administrative Director Michael Borja – Yeah I believe he is because he has already signed the amendment. Both of them have already signed the amendment and it got notarized. I have to sign it to concur through the process I'm the final signator on this addendum but the thing is it's adding another person. I mean he can be listed as a beneficiary and when the guy passes away or whatever he assumes the land.

Chairman David Matanane – Just for the sake of adding a new lease just to include him I think we need to remove the first lease.

Administrative Director Michael Borja – This will amend it because the old lease still pretty much stands and it goes all the way back to 2003.

Vice-Chairman Joseph Cruz – So Dan is inheriting the lease from Ricardo.

Administrative Director Michael Borja – He's not inheriting.

Vice-Chairman Joseph Cruz – I mean he's taking over the lease.

Administrative Director Michael Borja – No he's adding on.

Vice-Chairman Joseph Cruz – And he's the brother in law.

Administrative Director Michael Borja – He's the nephew the sister's son.

Commissioner Pascual Sablan – First of all I think this addendum is wrong. Attorney it says here that the original lease was signed by Ricardo and there's no addendum or no language here adding in Daniel Yamamoto okay. So for me this addendum is very inaccurate. Plus as you said Mr. Director you know if we were to do this then there will be a flock of people coming in saying hey put me in.

Vice-Chairman Joseph Cruz – Are we establishing a precedent here?

Administrative Director Michael Borja – That's my point. I'm not in favor of this that's why I bring it to your attention. I will sign it if you instruct me to sign it but what I see here is whatever we do that is out of the ordinary will set precedence right and then we have a hard time trying to argue against it.

Vice-Chairman Joseph Cruz – Was Daniel ever applied a lease?

Administrative Director Michael Borja – Daniel Yamamoto he never made an application right?

Chairman David Matanane – I think we need to have our Attorney look into this matter and if it legally can be done. It's either we cancel the old lease and establish a new one. I don't care how many wants to put in an addendum on a lease it's still not proper I don't think so. That wouldn't be legal even if it's you know like receiving an inheritance is okay fine because it's blood right.

Administrative Director Michael Borja – Or being a beneficiary.

Chairman David Matanane – But somebody from anywhere something is wrong here.

Commissioner Pascual Sablan – Was he ever on the contract?

Margarita Borja (DLM) – He's going to be added on. It was previously approved by Monte Mafnas I believe in 2010 to add on and the lease was never executed so now the lease is being executed to add Yamamoto in today.

Commissioner Pascual Sablan – Was it approved by Monte without the Commission?

Margarita Borja (DLM) – Approved by Monte, there's a change form that is provided to applicants.

Chairman David Matanane – There was never a lease.

Administrative Director Michael Borja – Not to Yamamoto.

Chairman David Matanane – No, no, to Ricardo.

Administrative Director Michael Borja – There was a lease. There is an existing lease since 2003 but the thing is the request to add an additional person to the lease it's a request to add spouse or partner.

Chairman David Matanane – To me I would say if you're just requesting then maybe my own this is on my own I don't think we can grant you that request.

Administrative Director Michael Borja – It was approved by Monte back in 2011.

Chairman David Matanane – But this is a new lease that you're going to try and approve.

Administrative Director Michael Borja – Right.

Chairman David Matanane – Right so this must be a new lease. Either we cancel the old one and establish a new lease in order for him to get in there. Now he's only requesting that he would be put on the lease which is an existing lease already and he's only requesting to me for myself I would say no. A lease is a lease already been bind and bound and if you want to cancel that lease (interrupted).

Administrative Director Michael Borja – But you can do amendments to the lease that does different changes.

Chairman David Matanane – What's the rationale behind this? Why is it so important for him to be on that lease? We want to know.

Administrative Director Michael Borja – It appears that there's activity going on amongst the family and there are some issues that are enlightening the whole situation. There is a major family dispute going on I went to visit the property this morning. The entry way to the property was blocked off with a chain and a fallen tree was put across the road we had to walk on in. This was simply to go into the lot where this Ricardo Garrido's mother has a house. His deceased father and mother who is still alive have a home there and there seems to be significant disputes between them in which a family member have been blocking off the mother. This family member who is doing that the one I believe is doing all of this is the mother of Yamamoto who is the sister of Ricardo. It's a pretty sad set of events between family members.

Vice-Chairman Joseph Cruz – This is not the same Garrido that we entertained a couple of (interrupted).

Administrative Director Michael Borja – No, no, no. I had the same question too I said oh my goodness is this the same thing but no they are not.

Chairman David Matanane – You know for one thing we're establishing a precedent and also in that lease that you have there it's exchanging the lot number for another lot number.

Administrative Director Michael Borja – They declined the land after they had assumed it the lease. So the lease would have to be changed over to say the new name with the information of the new lot.

Chairman David Matanane – But the old lease is for Umatac?

Administrative Director Michael Borja – The original lease is for Umatac.

Chairman David Matanane – And now they're saying this new lease is going up to Dededo?

Administrative Director Michael Borja – Because he rejected Umatac and that's why this amendment does two things it changes the land the location from a lot in Umatac to a

lot in Dededo and on top of that it adds on a second individual to the lease. The only information I have on the relationship of Daniel Yamamoto to Ricardo Garrido is on this document that adds someone to the lease which the section says request to add spouse/partner's name on application/lease and its Daniel Yamamoto relationship nephew and it was approved by Monte.

Chairman David Matanane – It specifically says that the old lease is still good for Umatac. It didn't say on the addendum there that specifically we have removed Umatac and we are taking over Dededo.

Administrative Director Michael Borja – We're making corrections and that's just part of the whole process of cleaning up the files. The first decline of municipality award he declined Umatac and accepted Dededo. They're allowed to have three of these. After they reject the third time they have to go to the bottom of the list.

Chairman David Matanane – But in this case they already approved Umatac you have a lease already the original lease.

Administrative Director Michael Borja – I don't know what Umatac looks like but in this case when some of these lands were awarded when they finally went out to go look at this it's undevelopable. It might be on the slope of the hill which is not usable and that's the problem we have and that's what they did.

Chairman David Matanane – My point is there is a lease already on hand and the lease says it's in Umatac.

Administrative Director Michael Borja – Right and then he declined that. He went in to say I really don't want this I want something else so we provided him an alternative then they were supposed to update the lease and it never got done. So when we've gone through the review process of this stuff that's when we also found that hey while we technically gave you another lot to use in Dededo we haven't formally updated the actual lease itself.

Chairman David Matanane – I'm trying to make it logical as possible you have a lease in Umatac and if you reject that then you go to the bottom of the line you remove that lease.

Administrative Director Michael Borja – No, no you can't they have the opportunity to (interrupted).

Chairman David Matanane – That's what I think should happen.

Administrative Director Michael Borja – But they have the opportunity of three declines.

Chairman David Matanane – Yes but you have already a lease that is signed already and now you're rejecting it. After approval if you're rejecting it then you should take that lease out of there and then he has to go down to the line and follow through. Or at that

point in time how come they didn't give him that Dededo? How did they find that piece of property?

Administrative Director Michael Borja – Because when you decline that we have to make you an offer to something else right. So then we put that all formally on a document that says here we're switching you over and what they fail to complete and this was done back in 2011.

Chairman David Matanane – When was the lease signed?

Administrative Director Michael Borja – The lease was signed in 2003.

Commissioner Pascual Sablan – But it should be consistent that they have to show you the place then you have to accept it then that's the time you sign the lease.

Administrative Director Michael Borja – I can't speak for what happened in 2003 when all of this was taking place but the issue is that he was not; apparently after he went out there he found that it wasn't really suitable for what he wanted. It could even be that they just ended up not really wanting that specific place. Umatac was not exactly something that might even be easy for them to go to.

Vice-Chairman Joseph Cruz – For me our discussion would have been eliminated if we only have a staff report covering each case on that reflecting what is being amended what is being revised and what is being processed. The way I'm hearing it now is that we executed a lease in Umatac being rejected because of the topography now we're assigning the same client to a different location with another person that has an existing lease.

Administrative Director Michael Borja – Well he had already been assigned way before this even came about.

Vice-Chairman Joseph Cruz – Assigned where?

Administrative Director Michael Borja – To Dededo.

Vice-Chairman Joseph Cruz – With Garrido?

Administrative Director Michael Borja – No Garrido is the primary applicant.

Vice-Chairman Joseph Cruz – Of the same lot that we're assigning him?

Administrative Director Michael Borja – Garrido is the primary applicant who has a lease originally in Umatac which was rejected and then they awarded him another property in Dededo.

Vice-Chairman Joseph Cruz – I understand your explanation it's just that for me to follow the sequence of event just by discussing through that and I don't know anything about it I mean for me I would just reject this disapprove it and that's my take. Because I don't understand the whole scenario of that case and for me to make a motion to approve and I don't have any background to say oh okay the staff report is this the case is this then I'll say okay I'll move to approve. But I'm in the blind here.

Administrative Director Michael Borja – Okay.

Chairman David Matanane – You're knowledgeable of those things that's why it's affecting that but to me I was just looking at this as it is not considering what other opinions of that as maybe even been told stories about that. The main thing here is we're establishing a precedent and I hate to do that if we may be bombarded with other things like this you know. Because it is going to be hell of a, excuse my language in our; I'm not going to be here or all of us are not going to be here all the time and we have started a (inaudible) and now they're going to have a big problem. So to me if they don't want to stick with it, I'm good only to the fact that he's exchanging Umatac to Dededo but not other things.

Administrative Director Michael Borja – Okay so we'll correct this amendment and the amendment will read to only change the land and not to add an additional person.

Chairman David Matanane – The land and not add in or anything else other than because you're trying to fix that lease the original lease it's not anybody else or added or anything.

Commissioner Pascual Sablan – I think there should be language here that says terminating Umatac and then another (interrupted).

Chairman David Matanane – And relocating him to Dededo.

Commissioner Pascual Sablan – But on the addendum form there should be a language that says terminating Umatac and then accepting Dededo and of course I would not support as Joe said if you were to add two individuals.

Administrative Director Michael Borja – Okay.

Chairman David Matanane – Okay I think we should table it and then we would try and get it all together and then we can bring it back.

Vice-Chairman Joseph Cruz – You mentioned there spouse and partner, what is the definition of partner? Is it like a common wife or is it a common husband?

Administrative Director Michael Borja – That's my interpretation. That's the intent of something like this that when you're awarding a land (interrupted).

Vice-Chairman Joseph Cruz – We should get an opinion on how we should deal with that stating that a partner is the definition of a common wife or a common husband not a nephew, a niece because it's very general.

Administrative Director Michael Borja – My idea is that the intent of having an additional person is only for spouses or some partner. But to have it be in the name of your nephew or niece or somebody that's not really (interrupted).

Vice-Chairman Joseph Cruz – In those.

Administrative Director Michael Borja – Okay alright thank you.

Vice-Chairman Joseph Cruz – So we'll table that after we get the (interrupted).

Administrative Director Michael Borja – Okay.

Chairman David Matanane – I guess our Attorney can maybe look into it.

2. Loan Guarantee Application – Jay Ryan Blas

Administrative Director Michael Borja – You have Jay Ryan Blas who is seeking to have his loan guaranty signed and I'll turn that one over to Matt Leon Guerrero and we have Mr. Blas here with us as well and I'll let him give you the information on the staff report.

Jay Ryan Blas – I am Jay Ryan Blas I'm here to I guess try to get my loan guaranty approved.

Matthew Leon Guerrero (DLM) – He's submitted in his file that check list that we created they went and submitted everything that we required of him except for the PMI that was made a part of that.

Administrative Director Michael Borja – What's a PMI?

Matthew Leon Guerrero (DLM) – Private mortgage insurance that we're still trying to get clarification on where can he obtain that. We haven't what do you call that HUD that we're supposed to try and work with or USDA but he provided everything. Based on that worksheet we had minimum house size that he can have built is 589 square feet but his house plan is 787 total square footage including his garage. His request is for us to guaranty \$78,000 for that construction.

Administrative Director Michael Borja – The way this formula works the way we had designed this is that the absolute United States minimum standards for a house for a family and even as the family grows in size there is certain amount you can add to the amount of square feet and what we came up with was 589 square feet. So if we know how much it cost to construct a home on Guam for that amount of space we know how much is the amount that we can minimally guaranty and that's what we haven't finished

on this whole formula. But that was the whole thought process in this so let's say for example his loan is for \$78,000 but when we did our formulas it only comes out to \$68,000 of what we can guaranty. We can only guaranty \$68,000 of the \$78,000 and that's what we would do and you guys could have the option of changing that if you want to cover the full amount. In this particular case it doesn't look to me like it's anything that's overridingly extravagant. The ones I've seen in the past before we began the moratorium were somewhere in this neighborhood. This is not anything that's atrocious not compared to some of the things that people got in 2003 for \$192,000. That would be something that would be definitely questionable. What we haven't done here is we haven't finished off how much the amount would be right in dollars.

Matthew Leon Guerrero (DLM) – We're computing it based on \$78,000 and his floor plans he made out we just divided that 787 by his square footage it came out roughly around \$99 per square foot. So it came out to about \$68,000 and he probably would have to if we're going to use that he's probably going to have to come up with an additional \$20,000 to meet the \$78,000 that he's trying to get for the construction of his house.

Chairman David Matanane – Which banking entity are you applying?

Jay Ryan Blas – Guam Housing Corporation.

Administrative Director Michael Borja – Now the issue with this is that with Guam Housing when they're coming to that point is because the lenders the regular normal conventional lenders like the banks are unwilling to do some of these loans because they're going through land which they can't hold as collateral. That's the overriding problem with people trying to build homes on Guam on Chamorro Land Trust. That was why the whole Chamorro Land Trust loan guaranty program was started because when they initially started the issuance of lands nobody could build on it because nobody could get a loan. If I may just recommend I just recommend that we give the concurrence on this. This seems to me to be rational. Its well within the means we have full controls over everything because there is a mortgage there is a process that we have going through with Guam Housing Corp. The reason we are asking for personal mortgage insurance again is is there a way that we can be assured that the mortgage is not going to become default if the borrower passes away, those kinds of things. Is there a way that we can be not held at fault if the borrower does in fact default? So we haven't gotten to that point in the check list of trying to discover that and we're still in the process of working that one through. That was the reason we came up with this because like what we had found in going through all the previous ones we have individuals who have passed away and of course now their loan is in jeopardy because the borrowers have passed away and so who do they look for? Now in the process there are still protections for us and the law specifically has it written down. That in the event the borrower who has a home loan guaranty with us defaults it becomes ours and we will then go through the process of paying the mortgage on a monthly basis until we can get the land reassigned to someone else who is eligible for the land if they're an applicant and is qualified for the loan. And the cost of the loan the amount of the loan will also have to include any cost we had to absorb like paying the monthly mortgages. That's what this home loan guaranty should be

designed for is that the money is to be used to pay for the mortgages of people who have gone default until it's resolved. So we're only forking out let's say \$1,200 a month for somebody that's got a problem that we're going to try and sort out rather than paying out \$78,000 in a lump sum if they go completely in default. That's what we're trying to do right now with one loan that we have one property we have where the owner died. The owner died the beneficiary couldn't absorb because he lives in the States and it was his father's property.

Chairman David Matanane – We're paying for the house?

Administrative Director Michael Borja – Well he told the Veteran's Administration that he could not carry the mortgage because he's not allowed to rent the land or the house right that's part of the law. That's what he was intending to do he's not here there's no other relatives here on the island that can live in the house so he had to pay a mortgage when he couldn't even rent it so he couldn't afford it.

Chairman David Matanane – But in order for us to take our interest we need to do that.

Administrative Director Michael Borja – Take it over yes. So we just received his legal documents telling us he's dropping out of the whole thing and it becomes ours. We already found a buyer, he's qualified by the bank, he's already a lessee who wants to swap out land that he received that he hasn't begun to use and said I'll take that piece of property. It works out good because we believe that there will be a lot of people out there that would probably want to do that and we're going to probably see another one coming up here pretty soon there's a couple more. But if we go through this list and have to do what we have to do there will be a possibility we're going to be placing people in homes.

Chairman David Matanane – We're talking about \$78,000?

Administrative Director Michael Borja – \$78,000.

Chairman David Matanane – You know I was looking at it and it's even (inaudible) with insurance and I hate to say this but we would like for him to also get a mortgage insurance.

Administrative Director Michael Borja – Well that's what we're trying to figure out that's what it is it's a personal mortgage insurance. Some of these insurances are not typically out there. I think Guam Housing at one time was requiring it but they stop doing it because nobody else was asking for it but we're asking for it now.

Chairman David Matanane – Because back then and I'll attest to that that I was one at Guam Housing where I got my loan there and there is a mortgage insurance that's available out there where you can purchase it and if anything happens that thing will be taken care of.

Administrative Director Michael Borja – Yeah so we're trying to finalize it. We're going to still pursue this because I want to keep this program healthy. Healthy so that individuals like Mr. Blas can continue to try to fulfill his dream that's part of the law that asks us to do to help people to be able to do.

Vice-Chairman Joseph Cruz – On the matrix that we're using it says minimum house dimension is 589 square feet and then the house dimension is 667 square feet.

Matthew Leon Guerrero (DLM) – That's his living area.

Vice-Chairman Joseph Cruz – So the 589 is from?

Matthew Leon Guerrero (DLM) – From the minimum like Mr. Borja mentioned the minimum allowable for his family size.

Vice-Chairman Joseph Cruz (DLM) – And that's on the matrix that we have on the chart.

Matthew Leon Guerrero (DLM) – It's on the checklist.

Chairman David Matanane – They will live comfortably on that particular space?

Vice-Chairman Joseph Cruz (DLM) – Are we following this the one that says 654 total where it says bedroom 120 square feet the sample that we have?

Matthew Leon Guerrero (DLM) – Yes that's where I derived with that 589.

Vice-Chairman Joseph Cruz (DLM) – Based on his plans.

Matthew Leon Guerrero (DLM) – No based on his family, him, his wife and his child so that's based on that matrix there.

Administrative Director Michael Borja – Then why would it be 654?

Matthew Leon Guerrero (DLM) – No it's 589.

Administrative Director Michael Borja – Oh this math is wrong on this document that math is wrong? The example that was given was 654 square feet. We need to relook at that checklist then.

Commissioner Pascual Sablan – Yes please.

Administrative Director Michael Borja – But it comes to 654 so he's pretty much there he's there he's only off by 7feet.

Chairman David Matanane – But as a family man he wants to grow.

Administrative Director Michael Borja – He needs to grow right.

Vice-Chairman Joseph Cruz – No, no but the matrix that we're using we have to be consistent when we do our approval. I mean if the guy doesn't need to come in for an approval based on the matrix then what matrix are we using? If the standard here based on the formal is 654 and your application is saying standard is 589 you're about 30 some square feet difference.

Margarita Borja (DLM) – We'll go ahead and stick with the matrix then whatever is indicated there the 654 then he'll be short by only 7 square feet right.

Administrative Director Michael Borja – 13.

Vice-Chairman Joseph Cruz – And the matrix doesn't include the garage because those are not living areas. Is that going to be applicable because it's the same square footage?

Administrative Director Michael Borja – Right so that \$78,000 includes of construction of garage then he's pretty much got it cost down.

Commissioner Pascual Sablan – I just want to mention something when I was building my house in Agana Heights it's a must that I provide a garage for the GHURA because I need to get GHURA concurrence so it's a must. I think we should look into that.

Administrative Director Michael Borja – I don't think GHURA is requiring that anymore these days.

Vice-Chairman Joseph Cruz – It's under the covenants you fall under the covenants of Chapter 32.

Administrative Director Michael Borja – I just came from a couple of GHURA ribbon cuttings and there are no car ports.

Commissioner Pascual Sablan – Another thing with the bedroom for a child 70 square feet I believe you said this is based on the US because the houses in the mainland maybe this is a whole in build. Don't forget we have concrete house and you cannot do that like is the closet into the wall.

Administrative Director Michael Borja – Right but the size the minimum size is one thing. We're not applying it to what the construction costs are because it states we're going to apply it to the construction costs here.

Commissioner Pascual Sablan – Because if you were to get 70 square feet that would be about 7 times 10 and don't forget if you were to put a closet the closet is almost 2 feet.

Administrative Director Michael Borja – But that's not living space.

Commissioner Pascual Sablan – Exactly.

Administrative Director Michael Borja – Would the closet be counted as living space?

Vice-Chairman Joseph Cruz – Yes its interior yes, the garage is the only one that's not.

Commissioner Pascual Sablan – If you were to take 2 feet again out on that for a closet that would be down maybe to let's say 2 x 6 feet it's already (interrupted).

Vice-Chairman Joseph Cruz – You have to count the closet because the closet okay the reason why the garage is not part of the living area because sometimes they don't put tile, no wall, no outlet. But in the closet it's part of the bedroom it's an accessory to the room.

Commissioner Pascual Sablan – Yeah but what kind of bedroom you're going to end up with 70 square feet?

Vice-Chairman Joseph Cruz – That's up to the owner now.

Administrative Director Michael Borja – That's just what the minimum required is so if he wants bigger he can make it bigger. But the thing is like I said if this guy that came in for \$192,000 (interrupted).

Commissioner Pascual Sablan – That's a castle.

Administrative Director Michael Borja – A castle yeah. You should see one of the castles that is up in Yigo, oh my God it's a two bedroom and it must take up a space of like 5,000 square feet. It's incredible and it's on Chamorro Land Trust. He's on a VA loan and didn't need a guaranty.

Vice-Chairman Joseph Cruz – Motion to approve the request for Jay Ryan on the guaranty loan.

Commissioner Pascual Sablan – A motion has been made, discussion. Can we revisit this?

Administrative Director Michael Borja – First you have to second.

Commissioner Amanda Santos – I second it.

Administrative Director Michael Borja – Can we revisit this? Yes we can because I have to go through the rules and regulations adoption process to get this approved as rules and regs. But like I said this was done because the OPA said we needed to get something done immediately and get this thing taken under control because this is the kind of thing that not only fail us but it can fail the Government. Because if it's all under SBA for example FEMA and they all come back and say all of your clients have defaulted and it's the tune of 10 million dollars they have every authority to go into the Treasurer of

Guam and just whip it right out of the account on Thursday before payday. That's what's the importance of this thing because it has caused one other Government here on the islands to practically cave in because the Government called the loan and wanted the payments immediately.

Chairman David Matanane – And that's why we need to put some more money in our loan guaranty.

Administrative Director Michael Borja – In fact my intention on this loan guaranty process is that the monies that we're going to try and collect or anything through the commercial process or even through the property tax I think it's the property tax that goes into the loan guaranty fund. That's what's going to go in and make this even more manageable. Right now it's only \$500,000 so that's the problem. You only have \$500,000 in your account actually it's like 5, 550 and you got 10 million dollars in outstanding loans and the loans get called you're going to be in trouble. Okay but yes we will revisit.

Chairman David Matanane – There's a motion on the floor and seconded. Show of hands for the loan guaranty for Mr. Jay Ryan Blas. It's unanimous the loan guaranty program for Jay Ryan Blas has been approved.

3. Loan Guarantee Program & Notices

Administrative Director Michael Borja – You have a loan guaranty program that was given to you guys and what this was and I've spoken to you guys in the past is that this is a list of all the people that the Chamorro Land Trust has engaged in the loan guaranty program. It goes item by item down by who the person is I only put their last name, where the lot is, who issued out the award, how much the original loan was and how much is still to be paid. What I did is I highlighted in red all those ones that we believe have had absolutely nothing paid towards their loan. Now we have gone through the process of informing every one of these people by mail to provide us with a copy of their latest bank statement so we know where they stand and who their bank is because SBA has sold a bunch of loans. We weren't successful so we've gone out and knocked on all the doors of all the people and the last 20 people out of 150 will be receiving their mail this weekend when they go out to deliver and they will be delivering from Umatac to Agat. You can see under the issued by that a good number of them are from SBA. Those are the ones that were issued and you'll see down the line you'll see a typhoon name those are the disaster relief loans. What you have here on the back is pie chart that I wanted to show you. The pie is of all the total amount of loan guaranties that were done. The reddish color were for disaster relief, the bluish color were for conventional loans, people who came in to apply for a loan through Guam Housing or the VA or somebody and then we had to guaranty. You can see that it's a humungous percentage of the loans. It is of a grand total of almost 13 million dollars in loan guaranties that were done. Seventy-eight percent or over 10 million dollars was for disaster relief. If you look at that red the ones in the dark red that's the number of people who haven't made any payment on their disaster relief. So you see we have a very serious issue and this was brought to our attention in August by the Public Auditor. So since then we've gone through a number of processes to try and correct. If

you recall in January and you have a copy again in here I gave you the loan guaranty program. We had to develop this thing quickly it's not perfect by any means but what I have also been instructed is that I need to make this more formulized as a rule and it will be going through another process where we're going to go through the Triple A process on it to make it into a formal rule. But we had to have something in place to be in to act from and to conduct ourselves with and in the interim until this is done I had put a moratorium on signing any other loan guaranties and so we've had a significant change. Now today we have one person that we're going to talk about there was supposed to be two but the other person their loan became stale because it had gone beyond a six month period from the date of application. So they need to update their documents and I don't want to do that you know we want to help people get their dreams of getting a home. That's what the expectation is for the Chamorro Land Trust when they wrote the law there is a segment in there that talks about the home loan guaranty program and we have a responsibility to support these individuals that are doing this. I don't have any problem in supporting people who are coming in with conventional loans. I do have a problem with the fact that our hands got handcuffed by the fact that so much was given out uncontrollably through disaster relief and that of those that were given out we don't even have mortgages. So there's hardly anything we're going to get. Now there are two things I'm going to come out of this from you and I'd like to ask for your support. The first one is once we've clarified this list and dwindled it down to more specifics and we get details from people those we have no information from those who are not going to provide us any information we need to publish this list. This list needs to be officially publicized to get people in just like being in the tax delinquency list. We are the co-signors of these loans we have every responsibility for these loans just as much as the people who took the loan. But I need them to come in and if they're unwilling we need to announce and if they still are unwilling then the next step is that we probably would have to begin the termination of their leases and if there is a house on that property they're going to lose it. I'm not in the business of wanting to kick people off their land and out of their houses but we have no other alternative because that's what the law tells us we have to do. And in this case you're talking about a good number of people probably in the neighborhood of around a hundred people. What we're finding in some of these cases and you can read some of the notes, people have died, people didn't take the loan you know so we're going to finalize that and make sure that's for sure. Some of these people once they realized that we're after them for information they're confessing yes here is my default letter from the bank. Some of them we find out because the banks are taking us to court because we engaged in a loan guaranty and then Kristan through the Attorney General's office have been fighting off and successfully in a couple of them these cases. But in one case we got it thrown out in court and I probably mentioned this before when SBA sold the loan it was continually sold and even the banks got confused not only the consumer but the bank got confused over who was owed who. And they figured well you were delinquent when I held your loan therefore I'm going to take you to court and collect on the delinquency only to find that they paid off to the next bank it was paid in full.

Chairman David Matanane – And it should have been taken cared of on that particular bank rather than moving it out to another bank.

Administrative Director Michael Borja – So that's the problem we have with the loan guaranty program.

Chairman David Matanane – You're purifying everything here and when you do get to the bottom of it I mean you know purify all of it one big question I'm asking is how did we get into this situation of guarantying disaster loans?

Administrative Director Michael Borja – It happened well before my time but if you look at the names of the storms you will have a good idea of when this happened. If you look at even the date of when these things happened you will get a very good idea of when this all happened. What prompted me to really rush through and get this program out was in the latter part of last year we were having a set of storms racing towards Guam and I did not want to be left being helpless saying to the Governor, Governor I know you've got 10,000 people out here who no longer have a home because the super typhoon just blew apart this island and I can't support the SBA or FEMA because we don't have a program in place. So we rushed to get this program put together as quickly as we could so that we had something in place in case we had to do this. But if you go through this program it's something that we incorporated into it which is actually stuff that's done already by the banks. We discussed when the loans will be disbursed you know instead of just saying okay you wanted \$160,000 here, here's your check, good bye. No you got to go through the process when you get the first third of your house done you get to these certain points in the construction then you can get paid. That's the kind of stuff. I just went and saw a house up in the northern part of this island the individual who got the disaster relief loan he got the loan but the house didn't get built on Chamorro Land Trust it got built on an adjacent property that's private property. So here is a situation where the guy we're going to go back and say I'm sorry but you failed to use the money to repair your home on our land so this is no longer valid and you're on your own. Where ever your bank is we're going to let them know that the loan guaranty is off. Tough luck I'm sorry but you're not going to play the rules and unfortunately you know who knows what the rules were back then because there was no policy, there was no program there was nothing. So the public auditor required us to come up with a policy and program and that's what this was that's what we came up. And you know we concluded an audit in August that was for 2012, we concluded a 2013 audit in December and we're concluding the 2014 audit either late this month or early next month. So we've gone through three audits in this very, very short period of time for a period that covers about five or six years. So the amount of time between audits is not ample enough to really have completed a lot things especially a program such as this which is tremendously significant. So that's why I wanted to even show it to you in the way of this pie chart just to give you that idea that you know what the gentleman that's going to come next is he's going to be asking for a loan guaranty for a house that he's gone through the whole process. He has Chamorro Land Trust property he wants to build a home that's not going to be anything exotic but in order for him to get his loan we have to go through this process. The Veteran's Administration we've now found doesn't need our loan guaranty so that's good to know too. But I'm trying to work out trying to figure out ways where this can eventually happen where our lessees can get loans without having to get a loan guaranty.

Chairman David Matanane – I'm noticing that it's mostly Pongsona, Chataan and Paka.

Administrative Director Michael Borja – There was one in here for Tingting. I don't know how that happened but there's one in here for Tingting. Tingting is that tropical storm that just came in and rained like crazy.

Chairman David Matanane – All the bananas went down.

Administrative Director Michael Borja – It was like 10 feet of rain.

Chairman David Matanane – Thanks Mike, keep at it and hopefully they can clear this thing up. It's a big burden on our financial.

Administrative Director Michael Borja – Yeah and that's what we're trying to clarify because we; you can see in the very last page you see what was originally almost 13 million dollars we're down to 10,500,000 as far as what we believe is there and we think that number is going to go much lower than that. My hope is that it should be down to around 4 but it's not. So we're still trying to wrap this thing up. I think that once we go publicize this listing we'll have a lot of input and we'll be able to clean this listing up quicker. All I ask is if it's possible if I can just get a motion from the Commissioners to allow me to go ahead and publicize the list once we've cleaned it up to the point where it's clear for publishing. We're going to do this in a way that also maintains the dignity of the individual we're not going to include what payoff amounts are. Your name who ever took the loan guaranty is going to be listed there, the lot description, municipality and the date of the guaranty those kinds of information so they know when it happened.

Chairman David Matanane – Ms. Kristan you think it is proper for us or it's allowable for us to publicize this the receivables?

Administrative Director Michael Borja – It's almost like publicizing the tax rolls you know the people who are delinquent on paying their property taxes same kind of concept.

Legal Counsel Kristan Finney – I'm not certain about that so I (interrupted).

Chairman David Matanane – But can we check into that and see before we move ahead because we don't want to be sued for divulging (interrupted).

Vice-Chairman Joseph Cruz – Why don't you do a general publication? Chamorro Land Trust public notice all tenants are requested to (interrupted).

Administrative Director Michael Borja – But some of them don't know I mean they wouldn't recall that they have this they really don't. Some of them are like oh yeah I forgot about that and that's when we're talking to them and then they come forth. The ones that have come forward giving us the information it's showing that they didn't pay anything but that's because we came to them. If you don't tell them who they are I don't think we're

going to get a response either and then I really don't have the technical reason to be able to evict them out because I haven't really given them proper notice.

Vice-Chairman Joseph Cruz – To contact the office at least for those you haven't.

Administrative Director Michael Borja – Yeah but I if I don't list down the people who we need for them to contact us.

Chairman David Matanane – Maybe the names and not the amount.

Administrative Director Michael Borja – The names the lot, it could be what the original loan amount was for. Not what the balance is but what the original loan amount was for.

Commissioner Pascual Sablan – But which one are you going to publish those that are in question?

Administrative Director Michael Borja – Yeah the ones that are in question the ones we don't have any information on. Because the ones we don't know anything about we're going to go through the process of working default issues. So we will begin once this thing starts moving in earnest unfortunately we're going to have to begin the process of terminating leases.

Vice-Chairman Joseph Cruz – But we haven't given them certified mail notification on those that you haven't a (interrupted).

Administrative Director Michael Borja – We just did a standard mailing and we got a bunch that came back because the addresses are not correct so we've gone to every lot. They started from the north and now they're down to the south. They're down to the last twenty and we've gone to all the lots knocking on the doors and serving them because we have certified servers on Land Trust. So they're formally serving these documents.

Chairman David Matanane – Ms. Kristan please look into that and see if we're not defying any laws that it's not you know appropriate for us to publish. But to me the names, Chamorro Land Trust lot numbers and all that and no amount will be appropriate that's what I gather. But can you check that if we can include the amount? Thank you. I appreciate that because we can publicize the names, the lot numbers and everything but the loan amount you can't. To me I don't know have they changed it?

Administrative Director Michael Borja – Have they changed what?

Chairman David Matanane – That you cannot publicize that the liability of the individuals or how they're doing in their finances.

Administrative Director Michael Borja – Well I mean when you look at the tax rolls as an example they're telling you what lots and how much is unpaid.

Vice-Chairman Joseph Cruz – But the tax roll has mandates we have a different mandate than the tax roll.

Chairman David Matanane – But please check into that and if it is okay Ms. Kristan then we can do it go ahead and we'll do it rapidly. I mean as time is of an essence then we need to and they can't say that we can't we never tried to locate them or have made them apprised of their responsibility.

Administrative Director Michael Borja – Well this whole process is constantly evolving. We got an individual who's doing nothing but working on this and like I said this Saturday they'll be making the last deliveries.

Chairman David Matanane – If she says yes or it comes right down to the bottom of it if we cannot publish the amounts then publicize the name and lot number at least for them to come in.

Administrative Director Michael Borja – Yes.

Chairman David Matanane – You still need a motion on that?

Administrative Director Michael Borja – No because I don't think it's going to be anytime in the next month.

VII. DIRECTOR'S REPORT

1. Revenue collection for the month of February 2015

Administrative Director Michael Borja – I've already asked Kristan Finney to start initiating the process on GRRP and the Golf Course to begin going after them for default on their lease. GRRP and the Municipal Golf Course are just not producing so we do need to begin the process for legal default on them. We're going through a process right now of updating our software system so we can put everything, all applicants will be in the accounting system everybody and we're going to download all our applicants even the ones who haven't received their land yet. We're going to put them all in the system.

Chairman David Matanane – Do you have any plans on the Guam Municipal Golf Course?

Administrative Director Michael Borja – Do we have any plans? Well see the problem is that they're trying to sell the company which they can sign the lease to the new owner of the company. They have not had any luck because I think their asking price is large. There are some people very interested in the property but they figured that they can sit back and wait for it to default because they're unwilling to pay the price that they're asking and they can come back. But we cannot engage in a contract for a new lease because I don't have the Chamorro Land Trust rules and regs for commercial use in place yet. So that's the dilemma I have so we can begin the proceedings that say you're in default but it will be one of those ones where we're going to have to begin the process to go through and we already have the legislative action to allow us to lease it out because that's in the

law already. It's just a matter of going in and getting the procurement request done, writing up a good procurement. But even more so if they do go in default and we have to seize it you know there's assets we have to obtain and that's a lot of assets. I'm going to have to enlist the assistance of some other outside agency to assist with that because we haven't been in the business of seizing assets in the past.

Chairman David Matanane – And keep that meat cold.

Vice-Chairman Joseph Cruz – Outsource it.

Administrative Director Michael Borja – Oh yeah it will probably be someone like GEDA or whoever who can help us with that.

Chairman David Matanane – On the Guam Broadcasting Partner I heard they have a new member.

Administrative Director Michael Borja – Yeah I saw that in the news they have a bank.

2. Foster Care Facility

Administrative Director Michael Borja – You asked in the last meeting for a footprint on the land that's going to be used up in Barrigada Heights for the foster care home. There are two different buildings that are being built up there that are being proposed. The one that you see with like the black semi-circle that's the actual foster care home which only has like 8 parking spaces. The other building which this is the best that I can get from the drawing is the counseling center. I went and saw this building it's already been built they're looking to build the exact same kind of building to be used. Those are the two types of facilities. That one on the top where it's an outline of a building you need a lot of extra parking around that because there are people that are working in there and there are people that are coming to that so the parking is not all fully shown in this whole thing as it could be. So it's going to fit onto this property with some space in the back for example you kind of need some play space back in there that's away from everybody and that's what that whole area is going to look like. But this is just a concept of just overlaying building plans onto here. If you want to see what the foster care facility looks like they're both one story buildings and in this drawing you can see it's designed with bedrooms for the boys and girls and there's only I think 18 beds in there. There's a common area, bathrooms, counseling areas and holding areas things that are required for that concept. But that's as large as they can make that.

Chairman David Matanane – They don't have the prospective?

Administrative Director Michael Borja – Oh no I didn't go through it all I just needed a floor plan.

Vice-Chairman Joseph Cruz – This is the one on the site?

Administrative Director Michael Borja – Yeah that's the living facility. The one on the front is like a learning center, counseling services and reunification area but it has to be a separate building. This is the concept of just planting both buildings down onto this lot.

Vice-Chairman Joseph Cruz – And they're all under Public Health?

Administrative Director Michael Borja – Yeah they'll be under Public Health because the federal grant money for this building on the top on the front of the lot is for that purpose of counseling services and not for the purpose of the living quarters. They're totally separate facilities. But there's federal grant monies that GHURA can do this. Like I said this building I just went to a ribbon cutting for it yesterday it's in Mangilao co-located with DYA it's a gorgeous building. Neighborhood kids are allowed to go, this is a third of the three learning centers that DYA has built. DYA is not just a lockup facility for youth it's to try and catch the kids who may be troubled and kind of help get them straight before they do cause trouble but in Dededo and Agat and this is the third place. They were telling us yesterday the kids in the neighborhood were walking by and they've been watching the building get built and go is it ready yet can we come in yet you know. But it's also there for the clients at DYA.

Vice-Chairman Joseph Cruz – Lot 15 is also Chamorro Land Trust or is that private?

Administrative Director Michael Borja – Yes it's all Chamorro Land Trust. You don't even know that this thing exists up on this hill side because you can't see it from really anywhere on the island.

Chairman David Matanane – So where's your entrance in there, South Sabana?

Administrative Director Michael Borja – Yeah the main road comes up this way and there is actually a road going down this way where it says Lot 13R/W there is a road that's how you get down to all these other people all the Chamorro Land Trust places down here. The Barrigada Heights road comes right up to about here and stops as an asphalted road and then it narrows down. This is the right of way right its 100 feet but the road is 80 feet but the road is really only about 15, 20 feet it's not really wide at all.

Vice-Chairman Joseph Cruz – This is the same entrance right after you pass the tire shop.

Commissioner Pascual Sablan – Oh that area.

Administrative Director Michael Borja – Yeah you go up Barrigada Heights that way you go all the way to the end of the road don't make any turns and you'll see it comes to an end and then it turns gravel, right there. You can drive in a little ways and then you'll see a road going down the hill it's that corner. This is the proposal I'm showing you guys this is going to be the same thing I'll be presenting to the Rigalu House folks tomorrow and then Senator Ada's office just left but this is the same thing that he's been asking for as well. So everyone is all curious. They're all quite curious because immediately after

our meeting I had a request for information so they got to hear us on our recordings, they got to read about it and got to see everything. And of course because a Commissioner was very adamant to the fact that I needed to present this I'm presenting it to you. I appreciate your support on this thing. The process it got submitted to the legislature the law told me I had to transmit the land identify the lot and then also give them a proposed resolution. So I gave them the proposed resolution but then they submitted it immediately. Our intent was it could be passed one of two ways by resolution or just let it sit for 90 days. Our intent was to let it sit for 90 days but Senator Barnes office submitted the resolution which kind of gave it more attention than we intended not that we're trying to hide anything but it also came at a point where her brother died was the same day so I think it was kind of like a lot of activity going on.

Vice-Chairman Joseph Cruz – Did the resolution include the return of the Chalan Pago property and the Tamuning?

Administrative Director Michael Borja – Oh no the public law did that. No that land up in Tamuning is still Oka Point Chamorro Land Trust yeah. There is already duly enacted legislation that had given that property already to GEDA. Not that particular lot but somehow that lot got nodded off but the bigger portion of it to give it to GEDA to do for (inaudible) but all we're waiting for is the rules and regs.

Chairman David Matanane – It's going to be occupied from now to till 2016 for FestPac right?

Administrative Director Michael Borja – No they moved FestPac. They decided that if they're going to spend money on FestPac spend the money on facilities we're going to use after FestPac so they're going to do it down at Paseo. The Paseo rejuvenation is about ready to begin. They're going to be closing off part of the ball park and there's a dilapidated building that's all corroding right there that's coming down real soon. So they're going refurbish all of Paseo. Paseo is going to be the place. It's going to be good because when they're done we're going to have a beautiful place to use again right. Because the intent if they did anything any money up there and it's going to get bulldozed to build something it gets wasted.

Commissioner Pascual Sablan – So we're going to go after GRRP right?

Administrative Director Michael Borja – Yeah I mean I have no recourse they haven't been responding to anything we've made attempts.

Commissioner Pascual Sablan – I think they've been pleading for us to take action against them.

Administrative Director Michael Borja – Why so they can get their money back? Oh everyone is pleading for us to take action or GRRP?

Commissioner Pascual Sablan – GRRP.

Administrative Director Michael Borja – Want’s us to take action?

Commissioner Pascual Sablan – Yeah.

Administrative Director Michael Borja – I don’t think so.

Commissioner Pascual Sablan – They’re buying time they’re playing games.

VIII. EXECUTIVE SESSION – None.

IX. ADJOURNMENT

Commissioner Amanda Santos moved to adjourn the meeting. Commissioner Pascual Sablan seconded the motion. Meeting adjourned at 2:43pm.

Transcribed by: Teresa Topasna: *Teresa Topasna*

Approved by Board motion in meeting of: *April 16, 2015*

Michael J.B. Borja, Administrative Director: *[Signature]*

David Matanane, Chairman: *[Signature]*

Date: *4/16/15*
Date: *4/16/15*