



**Lourdes A. Leon Guerrero**  
Governor

**Joshua F. Tenorio**  
Lieutenant Governor

**Commission Members**

**Arlene P. Bordallo**  
Acting Chairperson

**David B. Herrera**  
Commissioner

**Earl J. Garrido**  
Commissioner

**(Vacant)**  
Commissioner

**Alice Taijeron**  
Administrative Director

# *Kumision Inangokkon Tano' CHamoru* *(CHamoru Land Trust Commission)*

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## **CLTC BOARD OF COMMISSIONERS MEETING**

CLTC Conference Room  
Suite 223, ITC Building, Tamuning, Guam  
**Thursday, September 21, 2023 at 1:00PM**

Public Notice: *The Guam Daily Post* on September 14<sup>th</sup> and September 19, 2023  
Government of Guam Public Notice Portal, CLTC's Facebook Page, and on CLTC's  
website at <https://dlim.guam.gov/chamoru-land-trust-commission/>

## **ROLL CALL**

**Acting chair A. Bordallo:** Meeting called to order, we will now take roll call

David B. Herrera

**Commissioner Herrera:** Guigi yu

**Acting chair A. Bordallo:** Earl J. Garrido

**Commissioner Garrido:** Guigi hu sinora

**Acting chair A. Bordallo:** Alice Taijeron

**AD Taijeron:** Present

**Acting chair A. Bordallo:** Our legal counsel

**AD Taijeron:** our legal counsel is attending a planning symposium, she informed us on the 19<sup>th</sup> that she won't be here and confirmed it on the 20<sup>th</sup>

**Acting chair A. Bordallo:** so, we do have a quorum, we can continue, approval of the agenda for today, I need a motion to accept the agenda

**Commissioner Herrera:** I would like to make a motion to accept the agenda madam chair

**Acting chair A. Bordallo:** all in favor say aye

**Commissioner Garrido:** I second

**Acting chair A. Bordallo:** Ok, the approval of the minutes, the regular board meeting July 13, 2023, are there any questions or corrections

**Commissioner Garrido:** on the July 13<sup>th</sup>, can I make corrections there

**Acting chair A. Bordallo:** Sure

**Commissioner Garrido:** page 6, second to the last paragraph on the bottom that holt should be halt, h-a-l-t. this is just clean up, instead of h-o-l-t in should be h-a-l-t.

Rev. 08/14/2023

**Acting chair A. Bordallo:** alright

**AD Taijeron:** is it the second to the last paragraph commissioner Garrido?

**Commissioner Garrido:** it's like one sentence between the two, from the bottom

**Acting chair A. Bordallo:** anything else, on July 13<sup>th</sup>, motion to accept the minutes

**Commissioner Herrera:** make a motion to accept the minutes madam chair

**Acting chair A. Bordallo:** all in favor say aye

**Commissioner Garrido:** I have one more correction, page 27 and 48

**Acting chair A. Bordallo:** Oh, you have more

**Commissioner Garrido:** and my comment there in the middle of the page, instead of division, that should be revision, and my next comment there on that same page, provision should be revision. Page 33 on my comment on the middle of the page should be work in progress. It says board in progress but that should be work in progress. That's the only corrections I have

**Acting chair A. Bordallo:** motion to accept the minutes based on the corrections

**Commissioner Herrera:** Motion to accept the minutes based on the corrections

**Commissioner Garrido:** I second

**Acting chair A. Bordallo:** all in favor, say aye

**Commissioner Herrera:** Aye

**Commissioner Garrido:** Aye

**Acting chair A. Bordallo:** the August 30<sup>th</sup> meeting, is there anyone want to make any corrections?

**Commissioner Garrido:** Ok, page 19 of 88, the second from the top, Carlos Camacho, it should be Marbo

**Acting chair A. Bordallo:** what page did you say?

**Commissioner Garrido:** Page 19

**AD Taijeron:** you're reviewing the August 17<sup>th</sup> minutes commissioner Herrera

**Commissioner Garrido:** Yes, yes. Isn't that what we're on

**AD Taijeron:** You're on the August 30<sup>th</sup>, resumption meeting minutes, so August 17<sup>th</sup> is the last meeting

**Commissioner Garrido:** madam chair

**Acting chair A. Bordallo:** Yes

**Commissioner Garrido:** can I ask that we put aside the resumption meeting minutes

**Acting chair A. Bordallo:** Sure

**Commissioner Garrido:** I haven't had time to go through it

**Acting chair A. Bordallo:** Ok, that's fine, we'll take up the rest of the minutes on the next meeting

**AD Taijeron:** you'll take up the August 30<sup>th</sup> resumption meeting on the next meeting

**Acting chair A. Bordallo:** Yeah, so, Ms. Taijeron, you received the email on the Guam racing federation

**AD Taijeron:** Are we on item, no correspondence received, I actually need to correct that, we did get a correspondence on August 23<sup>rd</sup> it was from GWA but that's a part of our discussion under new business, GWA easement request, so, are we now on item

**Acting chair A. Bordallo:** I'm sorry, item number 5

**AD Taijeron:** so, item number 5

**Acting chair A. Bordallo:** correspondence

**AD Taijeron:** correspondence, we indicated none received, I just need to make a correction that we received a GWA letter, I believe it was August 23<sup>rd</sup>, that letter is also a part of the report under new business, item 8c, the GWA Umatac-Merizo easement request. So, that letter is part of that packet

**Acting chair A. Bordallo:** ok. So, we go into the administrative director report

**AD Taijeron:** thank you madam chair, the first item update on the lessee that appear before the cltc board on August 17<sup>th</sup> we have Mr. Jose C. Quinata and he also appeared on August 30<sup>th</sup>, Mr. Quinata had brought to the board's attention during pubic comments, he's seeking the SBA loan guaranty first issue, the second issue was, there was a misunderstanding up at DRT where he was informed that his name, there was another person who's name was on the tax document, which is connected to his property, that has since been corrected, what had occurred I believe it was in 2015 an addendum was sent to DRT, Mr. Quinata name is on the property, it is on the tax document, it was a misunderstanding at the front when he was informed about it, but to my understanding, to my knowledge based with my discussion with the land agent, we're gone through it, we have a copy of his tax statement so that is clear, Mr. Quinata is on the property that he's supposed to be on with the correct tax statement and number so that has been resolved. Any other discussions with Mr. Quinata

**Acting chair A. Bordallo:** none

**AD Taijeron:** Mr. Tony Cruz appeared for public comments as well, I believe he was seeking a loan guaranty as well for his SBA, today, we just received his documents so, we updated the SBA loan guaranty request that was provide to the commissioners this afternoon, so these documents we had 2 people that just came in

this afternoon right before the meeting so that information is all for loan guaranty requests, it's been updated

**Acting chair A. Bordallo:** going back to our meeting on August 30, 31<sup>st</sup> I made a notation about Mr. Quinata's SBA loan guaranty on the last time

**AD Taijeron:** your notation is with the loan guaranty

**Acting chair A. Bordallo:** My notes

**AD Taijeron:** would you like me report on that now or can we wait on loan guaranty, I can report on it now if you want

**Acting chair A. Bordallo:** go ahead since we're on him

**AD Taijeron:** so, the commissioners did not take action so, no loan guarantees from SBA have been approved at this point

**Acting chair A. Bordallo:** ok

**AD Taijeron:** loan guaranty update is under item 7c

**Acting chair A. Bordallo:** we'll go through that then, not now, we'll follow the agenda

**AD Taijeron:** the other individual that appeared before the commission on August 30<sup>th</sup> for board meeting was Ms. Shirley P. Gagan. Ms. Gagan had to request from the commissioners from the board the SBA loan guaranty and the approval to build, to move forward to build, so, whenever a lessee is seeking to build to construct to basically clear, do anything on cltc property they need to come to the board and request permission. Ms. Gagan is part of new business, her request approval to build. I apologize to the commissioners did not get her map documents in advance, it was provided today, right here. She is on new business, her request approved. With regard to the issue of loan guaranty has yet to come up with the commission. The commissioners have yet to approve loan guarantees. Email received regarding Guam Racing Federation, this is just a part of received the email, I believe it's part of your packet, this is from a unanimous individual and it's just provided for record purposes and will be placed in the GRF file. I did not respond it's unanimous, I don't know if the commissioners, it's up to the commissioners to let me if we should respond.

**Acting chair A. Bordallo:** any comments

**Commissioner Herrera:** no comments

**Acting chair A. Bordallo:** Mr. Garrido

**Commissioner Garrido:** no comment for now

**Acting chair A. Bordallo:** ok

**AD Taijeron:** I received HUD, FEMA, USDA administrative director's meeting, I believe Mr. Joe Diego confirmed that he would be here for the meeting to respond, all the other individuals that were in that meeting on Friday, September 1<sup>st</sup> are off island with the exception of the individual from the Army Corp. of Engineer and I did not have his contact and he did not stay long for the meeting but the other individuals, one is on leave and the other was not able to attend the online because of the time

difference. So, Mr. Diego said he would be to respond, I will leave it to the commissioners to decide when he comes in to go back to that. Now, the brief on my report, Monday August 28, 2023, I met Shelly McCracken Raina, senior financial analyst, US Department of Housing on Urban Development, Office of Health care programs. Ms. McCracken Raina initially requested for this meeting to discuss housing needs on the island, present on this meeting was PC 4 Joey Cruz and myself. We discussed the housing challenges, such as inventory, costs, the challenges of building, the lack of infrastructure on cltc properties, I also brought up issues such as lack of funding for projects, the challenges cltc faces with regard to loan guaranty, capacity building and training and metallic waste cleanup on our properties, abandoned vehicles, shelly asked if we could meet again so she can bring a few more individuals to engage in our discussions. Friday, September 1, 2023, this is a continued meeting at the request of Shelly McCracken Raina who brought with her John Emerson from the Army Corp of Engineers, Mr. Emerson couldn't stay for the duration of the meeting, Ms. Rosanna Rodriguez who is the FEMA inter-agency recovery coordinating group individual, and joining us via online was Joe Diego, area director from USDA and Patricia Miller Crawly community assistance recovery support shared with the federal team were cltc needs and challenges. 1. Loan guaranty, USDA works with lease lands in Palau and RMI in lieu of a loan guaranty there is a deed of trusts, USDA will provide more information at a later time. So, this is basically just a brief of our discussions at that meeting. Loan guarantees were not the only one that was brought up as you can see here in the report. The MOU with USDA which was brought up by Carlos Camacho on the August 23<sup>rd</sup> meeting which Mr. Camacho informed the commissioner that the MOU was in Congress, this information was corrected by Mr. Joe Diego, the USDA who informed us that the MOU is actually with the USDA attorneys working on the verbiage, the MOU seeks to shift the agreement to GHC and cltc will serve as a secondary, no draft of the MOU was available, in essence, what their looking at is potentially Guam Housing Corporation taking on the loan guaranty responsibility as oppose to CHamoru land trust, what CHamoru land trust needs to do and is pursuant to law, that we have a list of qualified individuals that Guam Housing Corporation could pull from in the event somebody defaults on a loan, that's the essence of the discussion. Discussion regarding the need for infrastructure that is a constant discussion, we discussed this with USDA, in which they indicated there is funds for infrastructure however, there needs to be a conduit, in that discussion with regard to a conduit, we're looking at potentially Guam Housing Corporation being the conduit for these funds, cltc being the recipient, there is funding in properties over the aquafer, more discussion with USDA to be had to determine the best route and the roles cltc would have. I discussed the needs of our staff to include training such as mapping, grants management, ARC, GIS, project management as examples, cltc to identify highest priorities and work with Ms. Crawley to identify training, Ms. Rodriguez will research grants to assist, I indicated that we don't have funding to pay for training that our team, part of what I'm trying to do here is to build capacity and to provide training for our land agents and everybody here at cltc. So, they're willing to assist to look at free training and there's more discussions with Ms. Crawley. Ms. Shelly McCracken Raina was the team lead, the outcome of this meeting was the connections made to assist cltc the best way possible for capacity building and to identify other opportunities for cltc to meet its mission. That was our discussion, Mr. Dexter Tan and Joey Cruz were present and emails and communications to Ms. Shelly McCracken Raina, their constantly copied in so there a continuity of discussions and hopefully action taken. I am available for questions.

**Acting chair A. Bordallo:** no questions asked

**AD Taijeron:** commercial leases, and also provided to our commissioners, an updated to commercial leases is we sent out letters to follow up on collection for commercial lessees who are behind. Letters to collect from overdue tenants were sent earlier this month, to date we have received payments from a few, our PC 4 is reviewing and cltc will continue to collect what is due to them, and put it in writing and for the record. What I believe what's before the commissioners is a copy of all the leases, we did not indicate who the lessees are.

**Acting chair A. Bordallo:** any questions commissioners

**Commissioner Garrido:** not at this time

**Acting chair A. Bordallo:** Ms. Taijeron you can continue

**AD Taijeron:** 1995 applications, at present the CHamoru land trust commission is still on December 2<sup>nd</sup> 8:07am 1995. Announcements were made for applicants 1 thru 5. However, there are no SOPs in place, what was done, what was created was a checklist but there's no way to tell how this was applied to applicants 1 thru 5. There's no process to ensure fair and equitable treatment. Applicant number 6 has stalled the ability of cltc to move to the next person, one of the questions that has been brought up to previous legal counsel is the issue of bypass, that still has not been resolved.

**Commissioner Garrido:** what is the issue again

**AD Taijeron:** bypass, if I'm not mistaken there was an Attorney general opinion or legal counsel that indicated that if we had an applicant number 6, for example for applicant number 6 there's an issue with applicant number 6, whatever that issue is should be addressed prior to moving on to 7,8, 9, or 10. So, applicant 6 has been for many years now stalled cltc from moving to applicant 7, 8, 9, or 10 or just moving forward

**Acting chair A. Bordallo:** what was the problem?

**AD Taijeron:** the individual If I'm not mistaken is deceased named ineligible successor. What I've asked is for, I reviewed the applications 1 thru 6, I've asked the staff reports be updated, if this an issue that requires board commission action, it will be brought before the commission, if it is an action that doesn't require then we'll continue, now, just for the record I like to just read this, I've reviewed the file of applicant number 6 and instructed to the land agent assigned to this applicant to update the staff report, applicant should not have stalled cltc's ability to move forward, that's my take on the issue. Issues with applicants that require commission to address will be brought before the commissioners, this is potentially one of them pursuant to the laws that mandate. All that being said commissioners, I understand, I understand the need to move forward on these issues, absent the SOPs the processes and even the flow charts of issuance of leases, cltc actions may be called into question, until the standard operating procedures are updated and accepted by the board of commissioners, I caution from issuing any leases at this point in time. This may not be what the commissioners or the public may want to hear, however, putting these processes in place will hold cltc accountable and protect all beneficiaries of the trusts. Protect the cltc and ensure that all are treated equally, to that end the team is currently working on updating the 2019 SOP which was accepted by the commission at that time, that SOP was passed prior to 21 GCA, Chapter 75 A so that needs to be updated with the new law. The 2019 SOP is the only document that has been made available for review, in the short time that I've

been here, I have not seen anything else with regard to processes, SOP other than this 2019. The team is working on that as quickly as they can to at least get a frame work to the commissioners.

**Commissioner Garrido:** I have a question, back in December there was a conversation about this particular person. If I'm not mistaken one of the issues was an heir outside of what was assigned by law, a grandchild was named but I believe also there was a secondary problem with that number 6 is that I think they wanted to either change the footprint of the lease or change the category from agricultural to residential. We, at that time suggested that we did not advocate by passing, also according to cltc rules we should of given them a 90 day registered mail notice to come in and sit down with cltc to make the proper corrections and if they did not respond within the 90 day then they would forfeit their requisition and I believe that it in our, if we can work out a remedy for that, number 6 would not lose their position, we can service 7, 8, 9, 10 if number 6 is able to rectify at any point in time, we can put them in the next meeting for ratification but they would not lose their place they'll just be held in limbo.

**AD Taijeron:** I agree commissioner Garrido

**Commissioner Garrido:** That was part our minutes for December I believe, because we can't just let 7,8,9,10 keep hanging by a string and number 6 is not responding. So, can you please check on that please

**AD Taijeron:** I've asked the land agent to update the staff report and I've asked to be made available for next board meeting and hopefully legal counsel can also respond to regard to best legal course of action to take, in the meantime we are working on the SOPs the process

**Commissioner Garrido:** that's been put on hold for a year already, at least a year. We're not able to service any other tenants or applicants

**AD Taijeron:** we will try an get the updated information

**Acting chair A. Bordallo:** we going to staffing

**AD Taijeron:** with regard to staffing, so, DOA has sent out notices to applicants for PC1 and PC2 positions, I was told that it will be another 10 days to wait as applicants have to respond and/or appeal the decisions made with DOA, for instance the grade that was assigned and/or they were deem ineligible. In addition to staffing, I sat with our PC4 to look at our budget and we are recommending to fill or issue out to hire an administrative officer, land agent 2, land agent 3 and potentially another land agent 1. I was asked to include work processing secretary however that is an antiquated position at least based on my experience. I think a PC or even an administrative assistant could actually could take on those responsibilities, so for the next budget cycle if we can't do it already these are the positions that we're looking into

**Commissioner Garrido:** is there a budget in that still?

**AD Taijeron:** Yes, Our PC4 is working on the amount to make sure that it's funded. Everything is funded.

**Commissioner Garrido:** no questions

**Acting chair A. Bordallo:** old business

**AD Taijeron:** old business, we have the Guam racing federation, at the last meeting the commissioners indicated to allow them to come to this meeting, September 21 and they have asked to provide a presentation to the commissioners in addition to the Guam racing federation, the public auditors report was issued, I concurred to their findings and is working with our PC4 and the team to prepare the process by which cltc could monitor and collect revenue royalties to collect everything. Based on the public auditors' recommendations it's just not for royalties, we're going to develop the SOPs by which of cltc to monitor and collect, right now there is no process, short of me instructing our PC to write letters, collect what is due and recorded, so we're working on the process for that. The individuals from the Guam racing federation are here, I do have to also indicate and I was hoping legal counsel would be here is a, discussions with legal counsel have indicated that anything with GRF, with lot 7161-R1 will move to the bid process, issue it out for bid at this point in time. We have that PC4 working on that description to try and get it out. Any questions on GRF?

**Commissioner Garrido:** you said they have a presentation to do

**AD Taijeron:** yes, they asked for a presentation to present to the commissioners

**Commissioner Garrido:** can we allow it?

**AD Taijeron:** that's the call of the commissioners

**Acting chair A. Bordallo:** that's fine

**AD Taijeron:** if we can have GRF come to the table, sign in, state your name and your position and proceed with your presentation

**Jennifer Crisostomo Camacho:** my name is Jennifer Crisostomo Camacho, I'm actually speaking, my father is Joey who is off island at the moment and unable to attend but we have our fellow GRF board members our new board members that sit here before you as they have in previous meetings.

**Commissioner Herrera:** Buenas dias

**Jennifer Crisostomo Camacho:** Buenas, as you'll see too on the screen, we also printed copies for you but really what we want to present today is really more a showing of really what the raceway is because I know the misconception is the raceway and I know the discussion is always on grading right, grading our land. So, what we're here to discuss with you all is really to show you what the raceway really is and go into detail and be here to answer any questions that you might have. We'll start from the top, with your guidance cltc commissioners and your advice, you know what we've done is we've taken into account a lot of what we've been asking for the last several months. The first of being the change of GRF leadership, that was really the first step in moving in the right direction. We've changed the GRF leadership, we've done that with the GRF leadership and a lot of who you see here before you are the new group. One thing we did do pretty quickly but we know that's not something that going to be on the table today, something we kind of put aside but instead of 120-day extension, that was something we requested via email several months ago but we understand that's not what we're to discuss today, we just kind of what to go over updates to you, give you updates on what GRF has been up to and some of the changes that we've made with your guidance. We've also had attorney Randy Cunliffe and he's not present today as well but attorney Randy Cunliffe did meet with assistant AG Finney and I know Alice touched on that a bit and we're going



to over something at the end of the presentation with that also came about with assistant AG Finney and Randy Cunliffe's meeting. And so a little else we've been doing it's not only did we advise stalled new board members but we've also already looking into new policy, our attorneys have met on both sides, we've had a formal financials turn over between the previous management or leadership with our current leadership, we have Bob Steffy whose compiling actually everything right now so that we can review our final NC3 and get everything up to date and start fresh and we've also got burger and homer who committed to continuing our audits of our GRF financials. So what your going to see here, the Guam international raceway for really what it's been for decades, we not only, again everybody always talks about the grading that goes on but really what goes on every weekend and throughout the week, your talking about drag racing, auto cross, drifting, motor cross, buggies, trucks, side by side, mog bogs, we do government services transportation training, we mountain bike and cycle, we do trail run events, we have obstacle course racing, go carting, auto shows, off road tours and concerts such as the electric music festival. These are some of the things that you can find throughout this, so if you see this, a lot of what we post right now are youth fitness events and this is something without our raceway, we're unable to host events of this magnitude, thousands of children being able to do events because it's safe, it's paved, we also have the off road course for them and this is really something that without the raceway our children are not going to have these events to able to go to and if you can see the images, these are just 2 images that capture a snapshot just a teeny tiny fraction of what this space holds safely. You going to see Guam cycling federation to host at least 4 events every year not only kids events but also adult events and host several of our champions so, what we got and something else you see here, raceway is home to roughly 4 events each year but importantly it's training grounds throughout the week where riders can come safely without fear being getting hit by a car, without fear of being run over, it's safe and really great trails that have been paved over that have really maintained and just absolutely beautiful trails that really hard to find anywhere else without going on to private property. Not only are we able to hold side (inaudible) we hold multiple youth events such as our Halloween truck or treat and that's something that I know October is coming up and that's something we do because again the raceway is a safe space. Safe space for the children and a safe space for the families. In the running and obstacle course community, trail runs and obstacle racing is a community event that families of all ages and fitness abilities, it's home to excellent terrain and perfect trails for racing, running, cycling, motor cross, you name it, it's the perfect space for it. Our motor cross community and some that you see here behind us, motor cross has long been a staple of our community and the raceway is the only place where races and practices to take place. We're talking hundreds of riders throughout the week that come in and ride safely in a motor cross track that just continues to improve because of the motor cross community. Youth as young as 5 years old are racing and training in these trails and on this course and right now without the raceway our children and families are unable to train safely and in a secured place. You're going to see off road buggies, many of you always hear smoking wheels and what you don't realize, smoking wheels is one weekend, but really every weekend we're hosting events, there's always a motor cross event going on, there's always something happening that involves families, hundreds of families that utilize the space. We'll this one is quite possibly the most important one, I got Tina Conquer here, she runs the drag racing association, Tina's been doing an amazing job at this, but what we do know, without the raceway, without our drag strip, without our oval where they do our drifting and autocross, we all know what it was like before this raceway opened and I would hate to see, you know the racers take to the streets where it's the only place they can race and where can they go for recreation, we know on Friday nights, those were some of the most exciting nights with hundreds of spectators and competitors using the drag strip, because it is also

the only certified drag strip on this island. Training ground, while the raceway is home to multiple motor sports and non-motor sports, the raceway is also the best and most practical space for transportation training, something we're going to get into here, your going to see on the next page, heavy equipment training, a lot of things we don't see because a lot of us are at our daily jobs but government agencies are able to use this space to safely practice their heavy equipment, your talking busses, large tractors, trucks, busses, you name it, this is where our people go to train to get the needed space that they have to operate this heavy equipment. Your going to see first responder training, this raceway is truly home, it's one of the most diverse homes you can find on this island and you know for the last couple of decades since we've had the raceway it's only continued to improve as far as the space and the way we utilize it and a lot of what we see, so a lot of us that are here for these events, most of us don't even see the grading going on, that is not, that's not what we're there for, we use the space for what it was intended to be and that's an international raceway. That's what we really hope to really kind of inform and educate everybody and really the public that doesn't get to see it, if you come one weekend and you saw it, you would see the diverse pull of families, the diverse pull of athletes and children, organizations that get to utilize the space and right now I can tell you it's been really tough, it's been really tough for a lot of the communities that we're a part of, the last thing we want to see is them going off and hitting some private trails and when we have a space such as the raceway to do this, you're going to see military operations, you're going to see them utilizing, these are the great trails that we have up there that have been put up there by the GRF, we're been able to do this for races, both running, both trail running, biking, these trails are also excellent for tactical operation training and you can see that is something that was a great, really a great tool for our military to be able to use. What you're going to see here because there is so many misconception as well, so we want to kind of put together really all the events that take place on this raceway and what a lot of people don't know is to the left of that red line, that is not raceway, that is private property and so the majority of that grading that you see to the left of that line that's not raceway, that's not cltc, those are private property, construction or family that have that space. This is really a rough look at it but it really just shows you the extent and the magnitude to how we utilize this space and really it's the way, I know that we as a raceway, this is how it was intended to be used and this is how we use it every week, at least had been using it every week from cycling, go carts, drift and auto cross, motor cross, ATVs, kid pump track, we got the run and by trails for that, this is really what the raceway is to us, you know it's not always about the grading and that's something we want to share with everyone, this is what the community sees, this is how we utilize this space and we hope this gives you an idea of what's been going on in the last few months since we begun the reorganization so, you'll see next in our summary is again upon your guidance and request, we changed the GRF leadership, our attorney Randy Cunliffe and assistant AG Finney have met and one thing we would like to share today is a 2 year interim license agreement and we can provide copies of that, this was something worked on by attorney Randy Cunliffe, a 2 year interim license agreement and it is something that he and assistant AG Finney have discussed and of course that is something we put to the table for cltc commissioners to review and hopefully approve. In these 2 years what we're requesting is that in these 2 years the GRF board, this is where the elected new officers, we reorganized, we get everything right and we come to the table in this next 2 years and we come up together on how we can make this work, how we make it work with cltc and the new board to make this work and what you are going to see is something this board is committed to. This board is committed to transparency, communication, shrift management, safety first and a positive working relationship with cltc. So, with that if I may I love pass to the commissioners the draft 2-year interim license agreement for your review and I know you might not be able to read all 7 pages now, it's a pretty simple one and one thing I

want to point out on this 2-year license draft is that we are committing and will make sure that there is no grading to take place in the next 24 months while this is in place. That is something that is written clearly in here and we want to make sure you understand that's not our business and we'll make sure that grading is not happening over the next 24 months, so, what we do hope for in this is that, I get this to you, it's 7 pages front and back. With this what we are requesting of cltc is that hopefully, we have some many community events that are waiting for us, if this can be effective October 1 that would give us time to really clean up the trails, clean it up after the Typhoon and get this back on its feet so our communities can continue hosting these events. Something for your review and we humbly ask that is something we kind of get in place, make sure the raceway doesn't rot for the next couple of years and allow us to continue hosting and operating these events while we work all the details out, this is really an interim, notice It's not a lease agreement, it's really an interim agreement, could also be a MOU, it's up to the commissioners but if you have any questions, we're all here.

**Commissioner Garrido:** well, we haven't had time to read it but outside of what your proposing, I do have some questions. One of my biggest concerns, let me just state for the record, cltc has never been against the activities, sports activities that were occurring on the property, all the other things on the backside that contributed to the downfall of the Guam raceway alright, we have with us today our previous acting executive director and I'm pretty sure we attest we never at any point in time against the sports activities on the property. One of the biggest thing that a, outside of the grading was accountability on revenue records, assignment of contracts, accountability for attendance because cltc is supposed to be getting a portion of all of this and there's no real accountability, I mean part of the excuse given to us back then was oops, the illegal authorization of Smith bridge to build that shortcut which was not on the property, the excavation of the lime forest, part of the agreement stated that bids had to go up with 3 at least 3 respondents, there was a lot of things in the backside that were occurring which actually led to their demise and a I'm just bringing it to the table that this has nothing to do with the sports activities, we're all in favor, we're all in support of it. It's being taken advantage that we're not going to allow anymore.

**Jennifer Crisostomo Camacho:** Understood, one thing we up here we won't be able to speak on behalf of the previous 4 but that's something the new members are committing to is that transparency, communication and working closer with cltc and make sure what happens up there is what supposed to happen up there.

**Commissioner Garrido:** there's a lot of reporting that didn't happen that should have happened and I don't think we could able to recoup our losses if there's was something that happened under the table that should have never happened. That's my outlook

**Jennifer Crisostomo Camacho:** Thank you

**Jeff Jones:** I think we're all here to let you know that we're here, we're the new board and we want to change the way things were, we want to move forward with full transparency, we're getting audits from all the books, those will be open to the cltc board, none of us are here for any financial gain, we're here to basically support the racing community and enjoy the hobbies that everybody is here about.

**Commissioner Garrido:** excuse me, can you just state your name

**Jeff Jones:** Jeff Jones, I'm one of the new board members not previously involved in the board

**Commissioner Garrido:** I remember you from the last meeting, for the record, everybody supposed to state their name.

**Jeff Jones:** we're here just for the love of racing and we want to try and figure out a way to get everybody back on the track and off the streets and do it for our community and you can see the presentation is really a community area, it's a shame that things in the past has derailed that and we want to get things back on track.

**Commissioner Garrido:** anybody else

**Michael Limtiaco:** sure, my name is Michael Limtiaco, I am also a new board member in the GRF and I concur with board member Jeff Jones has said that we're all business leaders here on the board and we understand the requirements for financial statements and the auditing of those financial statements and we concur with your assessment commissioner Garrido that things were not done correctly in the past but we're asking that you don't penalize the community and new board members for the mistakes of the past GRF board, as Jennifer has presented to you, it not just the board members up here that this impacts, it's the thousands of people that utilize the raceway and we heard everybody loud and clear at the legislative hearing, we're hearing you loud and clear now with what you recited of what was not done correctly in the past, we're asking to us a chance to do it correctly and you have a group of board members that is running the GRF now that know how to do business, that know how to comply with the requirements and we're asking to please extend us the courtesy of trying to fix those issues that have happened in the past.

**Tina Conquer:** I'm Tina Conquer, I was the one helping run the drag race site and my son yes, my son that I was pregnant with that's seventeen and keeps asking me can we go to the track, I said no you cannot go in there. I speak for some of the drag racers, I get questioned when is the track going to open, they are racing out in the streets I'm not going to lie, I can't stop them, I can't do nothing. I understand you guys have to take care of your business and I respect that but we've been shut down since June, so June, July, August, September, that's a lot of wait for these drag racers, they get itchy feet, they work on their vehicles, they want to test it out and really, they have nowhere to go. I, especially don't want to take it out on the streets and I always tell them I can't say yes or no to you guys but hopefully we do to move in and get back together and run that race track so we get everyone off the streets that's racing. I have 728 registered drag racers, so we don't all 728 drag racers out in the streets. It's kind of taking long and it's affecting us that's works on our vehicles, put money into it, we're just hoping that we do get that race track back open.

**Commissioner Garrido:** you know, we can start moving forward, all you have to do is vacate the property so we can open up discussions for bid or for license but right now with pending legal issue, we can't do anything

**Michael Limtiaco:** Commissioner Garrido. We have vacated the property

**AD Taijeron:** Commissioner, I apologize, just recently we got information notice from legal that, this was after our meeting with attorney the two attorneys, Cunliffe, we just needed a letter indicating that they vacated, they provided that. They still taken off their chains, and so now, we went there yesterday and now we have our own chains, padlocked it so we have access to the property. This is just recent

**Commissioner Garrido:** so that's good news, that's a step in the right direction as far as I'm concerned.

**Jennifer Crisostomo Camacho:** you can add that to the check list

**Michael Limtiaco:** we sent a letter that we vacated the property back on August 2<sup>nd</sup>, it is not recent

**AD Taijeron:** it's a delay on the AGs side

**Michael Limtiaco:** we recently complied with the request to send another letter but we vacated the property on August 2<sup>nd</sup>

**Commissioner Garrido:** well like I said that's a step forward

**Jay Jones:** I'm Jay Jones, I'm also one of the new board members, everyone here at the table is a new board member, so just an indication to you guys how serious we are about trying to make this work, we've established an entirely new board, we've met probably a dozen times in the last month to try to really move forward and make some progress on this, I think all of us for the love of the sport, my kids grew up riding and racing there, I race there and like mike said the property been vacated for over a month now and we're worried about things falling in disrepair about people coming from the outside stealing copper or all the progress we've made over the years with the facilities taking a giant step backwards, the jungle reclaiming the tracks and so forth so that's where are sense of urgency comes from as well just trying to get back out there and try and maintain what we work so hard to create, thank you

**Michael Limtiaco:** one of the other things we did was we requested from GWA to turn off the master meter as well because without people constantly going up to the track the water lines have been known to bust a leak and there's going to be water bill so, we've done that in addition to vacating the property. One question that I have for all the commissioners is that if you have any questions of us that make you think or suspect something is going on, you have any questions of these board members here to suggest to any benefit to keeping this licensing agreement or interim extension request, do you feel any of us benefit from it, do you have any questions about that, and we can answer, because I can tell you, I can speak for myself at least, there is no benefit to us, in fact most of the business up here actually have to pay in to donate to keep that track in it's current condition, it's an expense to us, it's not a benefit to us, I just wanted to throw that out there, if you have any questions of any of the board members that are serving on the chair right now, feel free to ask, we'll be happy to answer them.

**Commissioner Garrido:** on the top of my head I can't think of one but I like the promise of being transparent alright, and as much you don't want us to take advantage of the raceway, we don't want the raceway to take advantage of the people of Guam, because that's Guam property, that's not, we have nothing to gain, if anything at all we're doing more than any type of compensation that being offered to us, we have a long road ahead it just so happen you guys are first in line for what we need to do to improve the situation of cltc and the people of Guam. I hope we can have an open line of discussion with you guys, I'm not saying your going to get anything right now, but I'm just projecting in the future whoever is going to be sitting there with you or some other entity, everything has to be transparent and I go back to the final authorize opening of the road from cltc proper raceway lease going over to Smith bridge, I don't know what you call it when you break up the rock

**Jay Jones:** Quarry

**Commissioner Garrido:** Quarry, I find it hard to believe, although Henry said it was done over a handshake, I find it hard to believe that a big company like Smith Bridge would enter a deal like that without the necessary paperwork because they can run that off as an expense in business and like I said we're just so blind in a lot of things because it was kept from us.

**Jeff Jones:** I think we're all in the dark

**Jay Jones:** we're the guard of the past

**Commissioner Garrido:** There's a light there

**Michael Limtiaco:** we take it very seriously and we understand that things that happened in the past can happen again

**Commissioner Garrido:** exactly

**Michael Limtiaco:** our board members are committed to the transparency that you seek, our ask of you, what do you need from us, we're willing to provide any level of transparency that you need to make sure we can save the track

**Commissioner Garrido:** like I said, this could have been resolved back in 2018, 2019 but the president back then chose not to try to do anything about it until we sent the eviction notice

**Jeff Jones:** I think an example of our commitment in this proposed licensed agreement is our agreement not to do what do you call it, grading, quarrying, middle extraction, whatever you call it, we agreed not to do any of that and that's just an example of something of what we're willing to do, more than willing to do and if there's anything else

**Commissioner Garrido:** you'll find out soon enough

**Jeff Jones:** of that nature that you would like us to do, we're happy to talk about it, we just want to race, just want to race and enjoy the track and all that other stuff you know is just clouding the water

**Tina Conquer:** I've been volunteering up there, me and my family for about, my son is, for 15 years. I volunteer on the drag strip, we don't get paid for it, we're there every Friday, Saturday, if not Friday and Saturday. We've missed family functions because it's either should we let 700 racers race or should we go to our family party. So, we open it, we're there from 5 to 12 o'clock midnight, 11 o'clock so we don't get paid, my son, he loves the sport we're there to support the younger generation and everybody that wants to race, the benefit we get, I get for running that drag strip side is to see, to see the young kids come up, to see everyone happy racing and to make sure nobody is racing out in the streets. So, that's the benefit I get for having this race track.

**Commissioner Garrido:** open and honest visibility, like I said the OPAs report was not very nice, we don't want to see that, I'm pretty sure you guys don't want to see that. Being transparent, I hope whoever gets the license or bid, or wins the bid for it, it's going to be transparent and adhere to the open bid policy for subcontracting work that's going to occur at the raceway

**Michael Limtiaco:** So, has the board made a determination that in fact it's going to put it out for bid, have you made that decision because under your authority you still can grant the licensing agreement it does not have to be out for bid you know, I'm getting the impression that potentially the board has already made a decision on putting it out for bid or is that not been done

**Commissioner Herrera:** why not divert that question to our director because she's been speaking to our attorney, what's the update regarding that question?

**Commissioner Garrido:** no decision has been made whether we're putting out for bid or not but this is what we need to do

**Michael Limtiaco:** Sure, I just respectfully request that you consider that you have the authority to enter into a licensing agreement and you also have the authority to put it out for bid but what we're asking is that you consider the licensing agreement prior to considering the bid

**Commissioner Garrido:** well, we need to read what's in this first

**Michael Limtiaco:** and that licensing agreement is subject to whatever the board chooses to put in there so anything the commissioners wants

**Jeff Jones:** it's a starting point

**Commissioner Garrido:** that 50 year proposed lease that was put on the table back in 2018, said that the raceway will submit a work to cltc on the terms of the lease and the president did submit the lease agreement to cltc and this was under the leadership of Pika Fejeran, she made revisions to it, sent it back to your president and he never responded but like I said that was in the past, that's in the past but these are the things we're looking out for if we do negotiate into the terms of the lease or license.

**Michael Limtiaco:** we're very excited to open up that discussion again

**Commissioner Garrido:** we need a source of revenue and that raceway used to be, not a big source but it used to be a source of revenue.

**Jeff Jones:** it's hard to make money in racing, it's usually a money pit, everybody that races know you spend more money on racing than you

**Michael Limtiaco:** the federation also needs the revenue stream in order to meet the net property but we hear you loud and clear

**Commissioner Garrido:** you vacating the property is step 1, that means there's no legal grievance for us to go forward. That's all the questions for now

**AD Taijeron:** we just need to enter for the record that we received on September 19<sup>th</sup> just an update from Attorney our legal counsel with regard to GRF in the attempt to commercial license and/or lease, it is a no go, cltc should proceed with the bid process. That's from the attorney

**Commissioner Herrera:** September 19

**AD Taijeron:** Yes, September 19

**Commissioner Herrera:** were we make aware of that September 19

**AD Taijeron:** no, that was discussed after, it was just, she confirmed her not presence, no I did not send information out on September 19<sup>th</sup> so, although, this is something that the legal counsel has indicated that it's still within the board, the commissioners to make that decision and to work with legal counsel to come up with another solution or resolution. That's the call of the commissioners and legal counsel

**Michael Limtiaco:** Director Taijeron, the legal counsel's advice was commercial lease, was there any mention of the public use facilities because I believe that there is currently agreement with the cltc regarding not necessarily a commercial lease agreement but a public use facility

**AD Taijeron:** she didn't mention anything with regard to public use facility, we did have a discussion, this is going to require a potential meeting with Parks & Rec to see if, because there already mandated to take care of things to see if there could be an MOU between Parks & Rec whereby, they would manage it and we just collect a fee, to work something out for public use and parks so the activities can, should the commissioners decide to proceed.

**Michael Limtiaco:** so that's what this GRF board is looking at for this 2-year licensing agreement is similar to what is currently in place for public use facilities and that's why Jennifer took the effort to put in several things that benefit the public within the presentation. So, we go back to the first responders training, the military training, the use by the Rev & Tax to conduct their C licensing training at the facility, this facility besides the motor sports activities as you see there is a public use facility, what the GR board is requesting and I understand legal counsel's opinion on commercial lease is a public use facility or something similar that already exist in which cltc already has agreements and to consider that as we look at the potential in opening up discussions related to public law 34-142 which authorizes the cltc to enter into a 50 year agreement and you see commissioner Garrido figuring out a mutually beneficial and I don't speak on behalf of all the board members but we've been a more beneficial agreement, benefiting the cltc provided it covers the expense needed to continue racing on Guam.

**AD Taijeron:** that's a discussion that will have to take place with the commissioners and legal counsel

**Jeff Jones:** understood

**Commissioner Garrido:** all I can say is this is a good step forward

**Jeff Jones:** Good, thank you

**Michael Limtiaco:** thank you very much for your time

**AD Taijeron:** madam chairwoman, the request of commissioner Herrera, we have Mr. Joseph Diego here from USDA and Guam Housing Corporation to respond to any questions and/or inquiries the commissioner may have to reference Mr. Diego, the meeting that we had with USDA and any other, I believe it was 7 also Guam Housing, it's for the commissioners to decide if you would like to bring them up now or come back later, that's under the admin report

**Commissioner Garrido:** they're here now

**AD Taijeron:** that's the qualifications



**Acting chair A. Bordallo:** go ahead, bring them up, they can come up

**AD Taijeron:** please come to the table state your name and the agency

**Joe Diego, USDA:** Madam chair, board members, director Taijeron, thank you for having me today, my name is Joe Diego, I'm with USDA rural development area director for Guam, CNMI and the Western Pacific, thank you.

**Mary Guerrero, GHC:** Good afternoon, my name is Mary Guerrero, I'm the loan administrator for Guam Housing Corporation, Thank you

**Angie Camacho, GHC:** very nice to be back, my name is Angie Camacho from Guam Housing Corporation and I'm a manager or deputy chief.

**AD Taijeron:** at the request of the commissioner Mr. Diego is here as I mentioned earlier the other individuals were unable to attend. Mr. Diego can respond to any questions that the commissioners have, we had a discussion at our meeting with regard to loan guarantees, what USDA is doing elsewhere, also the 1% loan available to lessees, the draft MOU that is USDA legal counsel reviewing the verbiage in which if I'm not mistaken Joe, Guam Housing will take on the loan guaranty portion

**Joe Diego, USDA:** That's correct, so we've been working again I guess as far back as last year for the revised MOU, in this case USDA is proposing to bring our housing program to CHamoru land trust with the assistance of Guam Housing Corporation as packagers, there's still some of the intricacies we're trying to work out in terms of tri agreement, you know obviously the days of just shaking hands, deal is done, I mean CHamoru land trust has the land, Guam Housing has the packaging and we have the funds for our housing program and I think it's a, we did initiate an MOU back in 2005 however, the Davies EOC complaint suspended that, now that has been settle now we're bringing everything back to the table and try to reintroduce the program again via MOU just for your edification I do have some handouts just to kind of show what kind of program we're bringing to the table, basically our home ownership program we can allow up to a little over 400 thousand dollars for eligible home owner, the rate can be priced down to 1%, the current ceiling right now is 3.875 and we can term out the loan 33 to 38 years and so, we've has this, we've been in western pacific since back in the 70s and the trust territory. Our housing program has been around, we've had a lot of success in the Marshall Islands, Palau, FSM, Guam on the fee simple properties, and in the CNMI because we cannot own land, we've worked out an agreement with their state housing agency the Northern Marianas Housing Corporation now, you know, these, the program can work and I think if we can get the, iron out the details of the MOU, these are things we can introduce, I'll just kind of briefly go over the handouts so the first handout is the 502 programs which basically talks about eligibility to acquire a USDA loan so basically in lieu of getting a mortgage we'll work with Guam Housing and cltc on an alternative instrument. The outer islands we have a deed of trust in lieu of a mortgage that we get from their state housing agencies so that's the 502 programs for people who don't own a home, and those that do own homes but needs some help repairing their homes to make their homes safe and sanitary we have our 504 loan and grant program, again these programs are available throughout the island I'm just showing what we can bring to for our cltc. If your 62 and above you can get a grant up to 10,000 dollars and if your not a senior citizen you get a loan up 40,000 dollars at a rate of 1% over 20 years now, on that note the next 2 handouts because of the Typhoon Mawar presidential disaster declaration, we're got some exceptions for the 504 programs that allows us to a grant up to 40,000 to our elderly and I'm also working on the next page called the federal regulations to expand eligibility for this program because 504 programs is basically for very low income households and I'm trying to

expand it to low income household because we all know we don't typically let our elderly live by themselves, we have family living in the house with them and unfortunately we have to count all income to make them qualify for a 504 program. So, these 504 programs are really something to help families fix their homes especially after the typhoon. I know there was a question about the you know with the guaranty, I believe the bill the director brought up was allocating 500,000 thousand dollars to Guam Housing Corporation, that's more as a good faith effort to show that the government is willing to provide some assure to USDA that the mechanics of the MOU is going to work. So, as an example in the Marshall Islands and Palau, they also have 500,000 escrow requirements but because of the success we have in the programs there, more particular in the Marshall Islands we've already given out 8 million dollars in homes, home financing for first time homeowners in the Marshall Islands and that's based on the 500,000 thousand escrow so, as long as we see success gradually, delinquencies are under control then we can expand the amount we can lend in support of the MOU. The last handout, I just want to give an example, the servicing requirements USDA has to go through in before we actually foreclose and require a collection from Guam Housing for any delinquencies we can't collect, mind you, before USDA, we're in the business of making families successful homeowners, we're not like the bank, we're looking at the bottom line, so we exercise all these tools before we determine that there's no way we can help them, we need to foreclose. In that case, like the CNMI, MOU outside of that, we would tell our state housing agency, ok we tried we cannot service the loan, in accordance to the MOU you need to pay us our principal and interest. So, they would do that and take possession of the home and resell it to another eligible citizen and the collection they get from the selling will go back to replenish the escrow account and we can even finance the person they sell it to. We are very flexible with this MOU, our mission, our homeownership program is really our bread and butter of USDA. So, as an example of how we want to see the success, to be a successful homeowner with typhoon Mawar, we automatically gave all our clients 6-month moratorium on paying the loan, they have to pay us, they can focus on getting their life back together if they needed more than 6 months, we can give them up to 2 years. All these tools we have to exercise in fact, before we foreclose, if the attorney reviews it oh you didn't do one step, start all over, it's a very detailed oriented requirement before we foreclose, it takes us 5 to 6 years to foreclose if anything at the least, that's how dedicated we are to seeing that family succeed, often times when we do foreclose is because the home is abandoned, the family just up and left and you know that's what we do. The other question the director asked me, not really tied to the MOU, we can probably consider doing this now is, we have a program that supports infrastructure development for water, wastewater, solid waste available for CHamoru land trust and the attractive feature for water and wastewater is that it's primary loan program but depending on the social economic information available for the users of that system like if we're looking for a certain part in Yigo, we can throw in a grant that can actually stem up to 75% of the infrastructure cost so, and in some cases depending on some other circumstances that infrastructure cost can almost be a 100% grant. So, that's even if we get a loan and there's no way to do a 100% grant, the loan portion of this is advertised up to 40-years and the rate can anywhere from 2 to just under 4% so, if you factor in the grant and what remains as a loan, the loan part instead of maybe, I'm just going to say cltc as an example incurring the debt, that debt will be prorated amongst the users of the system, so, basically the users will be paying the loan, their user fee so, that's quick and dry, I know there's a lot I've explained but before I got here our leadership in Hawaii, our state director was really anxious to see if we can get this going and so I just wanted to share what USDA can bring to the table in terms of working on a MOU to bring our housing program. Thank you

**Commissioner Garrido:** when you said it's prorated with the users so if I paid for an infrastructure to come in and I'm at the end of the road, renewed applicant that would hookup with the infrastructure would pay towards my loan

**Joe Diego, USDA:** what we want to see if we're going to do the infrastructure has the primary benefit residence so, I think as far back as last year we were having our conference calls with directors, predecessors to look at a piece of property, legal I believe to look a housing, those are lots that have no infrastructure, so basically, we're going to look at all the users, we're going to probably determine income levels and see how much of a grant we can put into that, it's not like how utilities do it now where they put up infrastructure for you so whoever gets into that system would have to pay into it but you have to front the cost. I guess that's how the utilities work now but we are going to put in lock, stock and barrel and with that investment we're going to work with the applicant for our infrastructure to make sure there's going to be users and based on the amount of users whether they are existing or proposed, we're going kind of determine from that mix how much of that grant we're going to throw in and how much of the loan will be allocated. The grant is put in there to kind of lower the user costs and bring it in line with the current users outside the system so, you know the system development that can all be covered with our program so, one of the things we did as an example, recently the Marshall islands had a problem with sewage out fall is actually dispersing raw sewage out into the shoreline so it jeopardize residences, businesses and schools along that area so it was determined by USDA because it was a health and human safety hazard, we just gave them a 10.2 million dollar grant, we didn't do a loan because of that issue. I know if we do something up north because of the potential contaminant with the northern aquifer, we can arguments to make it a 100% grant and it's always subject to available grants up at national so it's always good to have an applicant ready to go on the beginning of fiscal year but on that note there's a lot of special initiative that Guam benefits from when we submit a infrastructure application, there's a what we call a substantially underserve trust area, this was something that was initially only allocated to native American tribes in the US, so they expanded it to include pacific islands, so because of that any product coming from Guam will get special priority consideration for grants and the loan rate can be down to 2% and so, considered persistent poverty and distressed community because we're so far from the mainland, so those special initiatives will give us priority, one may ask why GWA doesn't apply for this, there in the business of managing and operating, they will say, they don't want to apply for this because they're more concern with the bigger picture, they said military buildup and EPA stipulated order so typically something like this, developers will do the infrastructure and turn it over and basically that's where we're at today, when we were talking to cltc last year, we're looking at cltc to be the applicant for our water and waste program and have that MOU with GWA that once the system is done then GWA will take over. We could get a little creative with how we get to do this because I'm not sure how GWA would want to necessarily they're on their radar priority dual meal systems.

**Commissioner Garrido:** I think the best of my knowledge GWA does have a master plan to put sewer on the entire island of Guam, now how resolve they are to put that plan into action, I don't know. I don't think that's top priority, they're more concern with maintenance of the existing. It sounds good, it's would benefit our residential land use, would that apply to agricultural

**Joe Diego, USDA:** it would but we want it to make sure it primarily benefits residents, so, if there's homes around the ag lot and agriculture benefits them, yes. Just to let you know too, we don't with our water infrastructure program, benefit we bring to the table, we get a application, we have a technical assistant provider that USDA pays for is the

regional nonprofit called road community assistant corporation, so, they'll walk our applicant through the process of applying.

**Commissioner Garrido:** and you have this program in Saipan

**Joe Diego, USDA:** Yes

**Commissioner Garrido:** Are we using the same template as Saipan?

**Joe Diego, USDA:** the MOU for the housing

**Commissioner Garrido:** Saipan, only current Saipan residents

**Joe Diego, USDA:** we had it in Saipan, but when the garment industry and tourist crashed at the same time, they defaulted on the MOU, so we had a, at that time their MOU was 20 years old, the escrow was only required to have 250,000 and they have 4 million in foreclosures, people just didn't have jobs, so after 6 years we settled with them, their government, they paid off 1.8 million and now, they want to do a new MOU, which we're ready to go, we have it ready to go, we're probably going to do it this year for CNMI

**Commissioner Garrido:** working with cltc is almost the same working with Saipan

**Joe Diego, USDA:** Yes, and almost the same as Hawaii, Hawaii homelands, Oahu I think has the land and Hawaii homelands has the money something like that, we have an MOU there, who knows one day we may have to require the 1 million escrow account maybe 10-years down the line if we have a performing MOU, delinquent center control you won't need that because Hawaii homeland doesn't have a cash escrow like you would have out here.

**Angie Camacho, GHC:** so, when we were still here, when I was still here last year, I did meet with, Joe and I met with Guam Power, Mr. Benevente and Miguel Bordallo at GWA, they said so long as cltc approaches it in a focus manner, so if we take a tract of land and that's where you're going to focus on installing sewer, water, whatever, power. So long as it's focused, they're willing to work with us. They don't want to hear us say, put a line here and a line there and over there. Just so you know that discussion did happen and they will support

**Commissioner Garrido:** GPA and GWA also has a program where the end recipient, where their program, I paid infrastructure coming in but every time somebody else hooks up to it I get credited back from my initial costs, that's why I asked you my first question

**Joe Diego, USDA:** if your beneficiary where the infrastructure going to be put in, no, we don't, we want to make sure we're going to put the system in and you're only going to pay your share not

**Commissioner Garrido:** GPA like I said and GWA, that's the first tenant per customer if he's at the end of the road, less what your projected annual cost will be, we'll pay for the infrastructure and then every time someone hooks up, it's credited back until the entire roadway is full. But I like your way better, the grant sounds a lot more better

**Joe Diego, USDA:** and you know with President Biden bipartisan infrastructure legislation is a lot of money but we just haven't taken advantage of it yet.

**Commissioner Herrera:** so, the public hearing we had last week, for the half a million, how does that tie in with the USDA, because I know it was part time, was that supposed to be the format.

**Angie Camacho, GHC:** so, my understanding, are you talking about 107, there are still discussions on the MOU and possibly amendments to the law, but it is a relationship, it has to be a relationship between USDA, Guam Housing Corporation and CHamoru land trust, which there is one that exist just so you know, there's an existing MOU between the three

**Commissioner Herrera:** the document type

**Angie Camacho, GHC:** yes, correct

**Commissioner Herrera:** ok, and then with the sewer program, you were saying that if you were going to develop on top of an aquafer that you could possibly change from 75 to 100% grant, possibly

**Joe Diego, USDA:** if basically, USDA will look at it as if like we get a certification from USEPA and I'll just use the Gill Baza subdivision where there's random potential contamination of our aquafer. If EPA comes in and says if infrastructure is not put in then it poses as a general health and safety hazard, so USDA will take that certification and say ok we'll do a 100% grant if we can't factor in a loan or MOU

**Commissioner Herrera:** Ok

**Joe Diego, USDA:** and SUDA would give a Guam application priority project in California because Guam is a designated substandard trust area so that Guam is trying to get a 10-million-dollar grant, California is trying to get a 10 million grant, Guam will get that balance because of our SUDA designation over a non-SUDA so that's how that factor in

**Acting chair A. Bordallo:** there here to answer your questions

**Commissioner Herrera:** this fiscal year 24 will be coming around the corner so, projecting the next 12 months or so

**Joe Diego, USDA:** Yes, at the least

**Commissioner Herrera:** Nuts and bolts

**Acting chair A. Bordallo:** so, Ms. Camacho, when you were here, what happened to that tract of land the federal government was going to subsidize the infrastructure.

**Angie Camacho, GHC:** so, we were working with a non-profit organization, ORAC, I'm not sure where it stands today but we were looking at a property in Dededo, where the lots were substandard in size and therefore the current leases that have been issued the lessees wouldn't be able to do anything with it, being that the property is substandard in size and so we were looking into putting in sewer so that it would comply with local law and I believe that we were making some headway, there was a lot of challenges we were encountering at the time and it had to do with duns number and some other federal, is it the duns number Joey?

**Joe Diego, USDA:** Duns number and unique entity identifier, it's a administrative require for any federal grant program whether it's USDA, SBA, HUD

**Angie Camacho, GHC:** So

**Acting chair A. Bordallo:** So, did we ever get a Duns number

**AD Taijeron:** we have a dun's number, there is an issue with the duns and the identifier, we met with USDA for the regent and they committed to helping fix that issue, Joey is following up with or should be following with that to work with the office back there to make that correction

**Joe Diego, USDA:** again, that's only required if cltc were going to apply for infrastructure, for the infrastructure program, but if Guam Waterworks can do something else, it has to be them to apply so in that case we're looking at cltc as the developer so they would apply for it.

**Angie Camacho, GHC:** I think at the time, the law was changed in the spelling of CHamoru, I believe that was one of the issues that we were having. How we spelled it initially and how it's spelled now.

**Acting chair A. Bordallo:** so, now Ms. Rivera, right

**Mary Guerrero, GHC:** Guerrero

**Acting chair A. Bordallo:** is there anything that you can help us with on our loan

**Mary Guerrero, GHC:** we continue to process whoever comes in and are leasing CHamoru land trust property, we base it on our underwriting policy so that they should their repayment, their credit really means all of that, collateral is in fact appraised in value not lower than what their requiring, so we look at the applicant themselves, their creditability, we were able to get a loan guaranty from CHamoru land trust for the loans that were issued but we are looking at tightening our underwriting so that in the event that not possible, we really would like to still assist the applicants because based with those that have applied with Guam Housing their performance, I mean they are performing loans and with many applicants waiting, I don't think it would be an issue that somebody else would not be able to assume the loan, I understand they are also designating a beneficiary so maybe at that time if there's no guaranty Guam Housing can even do a review or even have the beneficiary be a co-signer so that perhaps the main borrower already that beneficiary would be able to assume, it won't have to be a burden to CHamoru land trust to make the payments, really we have not, we try to work like, we go through so many steps to try to see, especially it's a reason beyond their control that they were delinquent. We try see what we have in our policy that allows us to help them, if is requires a moratorium, as long as at some point after that there able to assume the payments, we look at it at a case by case, like I said those that we have given loans, there performing loans, and by performing anything because of happened the typhoon and all that, we do keep that under consideration when we're servicing the loan so we generate and we've been discussing with director Taijeron you know, that might not continue so I'm looking to exploring, expanding and amending our loan underwriting to see and to look at the applicant themselves, maybe the beneficiary that was designated on their lease with guaranty and we'll work from there, we'll provide them whatever guidance so that we say we need, probably you need to two, have someone else assume then we'll notify them at least we have other applicants, there are willing to assume that loan, looking at that alternative over paying the loan in full. It could be that cltc can make the monthly payments if they rent out that house just to keep it so there not a notice of exacerbation where the loan would have to be paid in full. So that's another way where you don't have that demand to pay it in full just keep it in that and have it rented by an eligible applicant, the interim that's another that can happen and the loan can still be paid and cltc can monitor who would rent until they

continue their processing the loan, having that many applicants, I don't think it'll be a problem for someone to rent it until the time we have someone who will take over the lead and assume the loan. We will go out there, if they are in a non-performing status we will go out there and inspect the property, even request an appraisal so we make sure the needs and value is still there to repay the loan, the alternative is that monthly payments are made, remitted to Guam Housing until one has been identified to assume so you have other options then just, we're exploring that, we scheduling a working session with our board as well what we may propose in lieu that, if we're not able to get a guaranty.

**Angie Camacho, GHC:** of the 40 loans, we currently have, we only have a challenge of one and the cases is unique, I'm pleased to say that we have not had the need to call on the guaranty.

**AD Taijeron:** what we're tracking with Guam Housing is a zero percent default rate at this point in time, SBA is a different story, it's under 20%, 18.4% with regard to default. I also, it was going to be part of my loan guaranty update since you're here, we were able to discuss the idea and I also met with Charlie Ford, reducing your interest rates for the Mawar disaster victims and not the 6% and if you can't do the 2% although the SBA interest rate vary, something that is reasonable for Guam Housing and the individual, I think he indicated that would be part of board discussion.

**Mary Guerrero, GHC:** and the reduction is that for the current lessees right

**AD Taijeron:** lessees

**Mary Guerrero, GHC:** repair or

**AD Taijeron:** repair and home renovation

**Mary Guerrero, GHC:** we do have a where we can hold a 2<sup>nd</sup> mortgage and I believe at this point it's lower than a 6, it's 5% so, we'll just go through and if the board see, approve the reduction, of course I'll just carry out

**Angie Camacho, GHC:** nonetheless it's really important to say here too that if there is anyone that's is needing a loan for repairs for construction, please just send them up to us

**Commissioner Garrido:** I think we do have some constituents or tenants whose home was devastated by the typhoon and they've already been approved with SBA but this loan guaranty is holding up their forward momentum where we can't do anything unless we sign off on the loan guaranty, correct. And if you guys can give them a comparable interest rate, maybe we can tell them to go to Guam Housing

**Angie Camacho, GHC:** I couldn't speak to that now because that hasn't been presented to the board, nonetheless, if they're interested, go upstairs

**Commissioner Garrido:** I think they're interested but now that the regular rate, they got a better deal with SBA. If you can it a better fit, I'm pretty sure they'll switch over and the money will stay in one

**Angie Camacho, GHC:** I think there's a lot of factors to consider and definitely something we need to bring to our board as well

**Commissioner Garrido:** specifically, just for the disaster, not for the regular loan

**Mary Guerrero, GHC:** are the loans SBA processing, are they for repair of the home, are they for personal property.

**AD Taijeron:** so, all the letters that we've received is for the structure, the land cleanup, personal property however the information that we're providing to the commissioners with regard to what it is the commission can guaranty is only for structure and land. Previous boards have guaranteed everything but the information for these commissioners is we can only guaranty, should only guaranty the home and the land not the personal property or anything like that

**Mary Guerrero, GHC:** that's good because really the government should be guarantying something remove from the premise and leave with it not necessarily because, it should be for the building and cleanup but not personal property, although maybe the total warrants a mortgage or leasehold mortgage but they shouldn't have to guaranty personal aspect

**Joe Diego, USDA:** and if I may, the MOU is really only if we need security but I file for a loan or grant on smaller scale and the damage is not total like if we, we can do an unsecured loan of up to 10,000 at 1% to make their home safe and sanitary and if their elderly like I said, they can get the grant so and we don't need an MOU for that, that's already available because we don't need security for those amounts.

**Commissioner Herrera:** and those people can apply through Guam Housing

**Joe Diego, USDA:** that one will directly with us because we don't need the MOU for that, in fact with the COFA immigrants that they're not eligible for FEMA, HUD or SBA assistance, they are visiting us for that so that an applicant on that

**Commissioner Herrera:** I did pick up from upstairs, passing it out to our constituents from here

**Angie Camacho, GHC:** and we brought some information for you as well

**Commissioner Herrera:** Ok, we really want to try and get the loan guaranty, we want to discuss that, ok, madam chair

**Acting chair A. Bordallo:** Thank you for coming and explain to the board your services

**Joe Diego, USDA:** Thank you so much

**Commissioner Garrido:** Thank you

**Acting chair A. Bordallo:** ok, where on 7

**AD Taijeron:** 7d, Guam international country club

**Acting chair A. Bordallo:** Yes

**AD Taijeron:** they have a presentation for the commissioners

**Acting chair A. Bordallo:** Sure



**AD Taijeron:** Please come to the table, state your name and sign in on the sign in sheet

**Yohei Keioki, GICC:** My name is Yohei Keioki, general manager of Guam International Country Club

**Carlos Camacho, GICC:** My name is Carlos Camacho. You guys still have the presentation from the 2 previous meetings we had. I'm not where we left off but I'll just do some reads to remind everybody where we left off. So, the GICC organization was looking to diversify its property to its highest and best use, what motivated all that is we're trying to find a more stable cash flow and sustainable cash flow for all partners here, and on the 2<sup>nd</sup> page of our presentation, what gave the financial opportunity as I described in previous meetings is in 2022 the inflation reduction that was passed and for solar farms, tax credit which used to be only 22% went up as high as 50% so that's one way to lower the cost of development so we can be competitive to provide the final kilowatt hour costs. The other thing is the property is very clear so we don't have too much investment in clearing it, we can actually see the topography that's number 2, number 3, the GPA power grid is located only 50 feet, south side of the property 50 feet and based on our research it would absorb our potential demand or development. Our proposal is to create, at one time we were as I disclosed, I've been in discussion with the policy maker at the legislative, they had to break the potential legislation into two parts, one, they will create the endowment foundation and the reason we're creating the endowment foundation which you guys control and funds that's a part of the money unit from the net present value cash flow which I'll show how we came up with that, we'll be placed in the endowment foundation so it is not touched by other members of the government to grab in it and all that kind of stuff. The endowment is controlled through an investment ARM spacer and you guys hire your own financial advisors, I leave that up to you guys, for example, GEDA is the government of Guam financial advisor and they've done this same exercise for one of their sister agencies, ancestral land commission, they've used a financial rate return of 4% and I'll show that on the slide, on different statuses but what a 4% return which they've done already unit in regards cash flow investment. We have an environmental slide here because what used to be the golf course sits on top of the northern aquifer and when maintain the golf course, we have to use a lot of fertilizers and all that kind of stuff to maintain the greenery and all that so, what this does basically eliminate that part of the equation and we diversify the use of the solar farm, there's other bullets here that you guys have in your stuff and I know you guys are busy

**AD Taijeron:** can I just get clarification? You indicated that the legislation was to be bifurcated, the first is to create the endowment and what the 2<sup>nd</sup> would be

**Carlos Camacho, GICC:** Oh, I'm sorry the 2<sup>nd</sup> would be to another proposal, we have to change the use of the property to be a potential solar farm and third our lease agreement ends on 2039, we need it to be extended and that's only through legislation to extend the lease to 2055 only so we can have a 30-year combination on our power generation opportunity to sell back to GPA.

**Commissioner Garrido:** can you repeat what you just said I was listening and I had a thought, I broke my train of thought because I wanted to hear what you said, so can you repeat what she was asking

**Carlos Camacho, GICC:** she was asking, I talked about 2-part legislation, when I was talking to the policy makers just to discuss it, Carlos we have to bifurcate the two because you cannot have two subject matters on one legislation and to bifurcate the two, you have to create the endowment fund where the funds from this accelerated

rent or net purchase value, which you guys have on chapter 75, you already have the investment vehicle through the accelerated rent. So, you already have the vehicle to do that so, until 75, that money will go into that account. The second bill because it has to go in parallel, the second bill will potentially extend the lease from 2039 to 2055 and then the diversification of the use. And that lease, in the 2<sup>nd</sup> one has 7 million-to-9-million-dollar cap in the net present value of the lease and I'll show that here how we got it, so one of questions the senator asked or their policy guy asked is oh Carl what happened to the net present value is 2 million, we are going to take whatever the commission has within that range. Because we did our cash flow model based on that range and we'll show you how that we yield. And we hope it will be a win-win situation, they just asked a question, what if the, because on the 2<sup>nd</sup> opportunity you guys will hire your own MIA master appraiser, to appraise the net present value from the cash flow, from there they're going to say, commissioner here's the value, and so that's when they asked wow happened it was only 2 million or 3 million, well the legislation will have a cap from 7 to 9 and I'll explain the financial model here in a short time. Is that clear commissioner. So, as you know the property is 205 acres and sitting on that property is 6 GWA water well. Am I correct?

**Yohei Keioki, GICC:** 6 or 9

**Carlos Camacho, GICC:** 6 or 9, that's why we try to protect the fertilizer from going into the water well.

**Commissioner Herrera:** the aquafer

**Carlos Camacho, GICC:** the aquafer

**Commissioner Garrido:** Are you proposing to rezone the property or just get a variance?

**Carlos Camacho, GICC:** right now, the 2 farms, the 2 solar farms, the Marbo, the Dandan is agriculture zone. This property is already agriculture zone. We still need to go the Guam land use commission to get a variance approval for Solar farms

**Commissioner Garrido:** so, you're going after the variance

**Carlos Camacho, GICC:** we have to do that yes, and one of the things on the same proposed legislation because of our conflicting sections of the statute section 75-102, I forget. Like 3 or 5, we want to make sure the endowment fund doesn't co-mingle with one of those. But, the cash flow from that, you can use it for those categories.

**Commissioner Garrido:** if the application for solar requires more than the agricultural zone, is your company willing to upgrade the zone.

**Carlos Camacho, GICC:** Oh no, we need to do a zone change, yes we'll do to comply, we did our homework if you look at the other 2 farms there all agriculture zone and got approved from the Land use for the variance but, your right in case the law change

**Commissioner Garrido:** If EPA decides to get strict

**Carlos Camacho, GICC:** you're right, the other question you guys had on the last meeting is, how do you know there's a demand for it? Well, 2 things, I'm glad that you guys asked that, I want to show what's public because I couldn't invite GPA, so GPA has a renewable plan to call for 180 megawatts of solar energy, now this one here is going out on a phase 1, phase 2, a phase 3 RFP, we still have to compete, now unlike

the first 2 developers their off-site structure to the grid was miles and miles away and that was a high cost. Like I said we did our homework, we think we will be competitive, 1. In 2022, the inflation reduction act passed before these 2 other developments happen so, 50% tax credit will help off set the cost development is one. 2. 50-feet in the south side of the grid will absorb that and what was pretty interesting was yesterday, I listened to a solar bill at the legislature at the public hearing because DOE wanted to incorporate their solar roof top for everything. Now, this is hopefully not to confuse everybody, GPA defines the solar farms or roofs or program under 2 definitions, 1 is called net metering, 1 is called utility scale, Dandan and Marbo is a utility scale, we are proposing a utility scale so, our benefit for a community as a whole not just a certain targeted public body or commercial body. That's why they were against it because if they take 12 million out like they gave an example yesterday, the PUC, if they take 12 out of their cash flow then someone has to cover that debt, they have to raise the rate to the rate payer. Who wants to do that but if it's a utility scale what we're proposing like the other two, that off set will benefit the community as a whole so that was the differences and I'm glad they described that, it was on YouTube you can watch that again. They recommended that GPA, DOE wants the roof top to change to utility scale because there is a lot of demand, they want to get off the fossil fuel to lower the cost of fuel and that why you get your Leah rate increased all the time. I got a copy of the, this wasn't available in the package but I'll leave it here, this is the source on the public record that GPA is going for this proposal. So, go to the page on the lease analysis, this is the one where we had figure out what the lease analysis was all about. So, if you look at the present lease up to 2039, if everything is paying in full, they pay 5.369 million dollars in full. 5.3 million, If we're granted the extension from 2039 to 2055, it'll pay but this will have an escalation cost change, presently we're paying at 10% from 2039 forward we'll pay 12% just to give a little extra cushion on the junk and that cash flow will bring in 13.8 million dollars on the rent cash flow if we stayed on status quo. Is that clear so far

**Commissioner Garrido:** Uh huh

**Carlos Camacho, GICC:** ok, so, what we did on excel sheet, you know you have the net present value because we didn't have this appraised yet. We took our cash flow and I did the net present value and I used a 3, 4, 5, 6, 7, 8 and I don't know what MIA we used for Guam and the net present value is 8 million, 7 million, 6 million, 5 million, 4 million and 4 million. So, that's why when I did the average, I went in this proposed legislation we did a 7 to 9 million cap. That's how we came up with that number and that will be further concur when you have this 3<sup>rd</sup> party and MIA appraiser and again, as the policy maker what happened below the cap well, the legislation already gave a ceiling, a minimum ceiling of 7 and maximum ceiling of 9 and that's what we could live with to make it work, on a win-win

**Commissioner Garrido:** that's your edge then, 7 and 9

**Carlos Camacho, GICC:** Yes, 7 to 9 and of course our goal is to try to lower to 7 but if you guys want at 9, the law says 9, you know what I mean

**Commissioner Garrido:** you're stating what's the bottom and what's the top

**Carlos Camacho, GICC:** so, that's how we came up with that formula. Let me just go to the corpus, assuming at the end it was 7 million, the corpus is at 7 million, we gave a different rate structure on the rate of return, I started at 4% and if you wanted to do a case study you can contact GEDA as your advisor, what is the rate you got for ancestral lands commission for example just to verify it as a 3<sup>rd</sup> party comp, that cash flow will yield 8.8 million dollars on the remaining term of the lease on that cash flow,

an average of 23,000 dollars a month at 8 million. If you guys want to go a little more aggressive, that's why I got a couple of sheets, that's your decision with GEDA, I did a 5, 6, 7, and 8. If you did a 6% return if you did a hybrid aggressive, you guys will generate a 20 million dollar full lease, remember the most we could pay directly was 13, so, you have anywhere from 15 to 20 million if the corpus was 7 million and then, that's how we came up with the monthly payment. This 35, 23, 29, 35 whatever investment that you guys want, that's the cash flow you guys have access to, it's not the endowment fund, that's comes back to you to do whatever you guys please to use it for the other sections of your law, I mean your statute chapter 75. Now the endowment fund stays there and you guys' figure how to have other funding source to keep raising that fund, but this is just for this one entity. So, that's 7 million if we did it for the most you generate is 15 million. Couple million more than the 13.8 million that I showed on your normal rent. If we choose 7.5 million if that was the corpus, that 4% will yield 16.9 million or if we went up to 6%, 21 million. We did that 8 million, that corpus will yield 18 million to 23 million so more than the 13 million, you guys can do the math. And then if it went, we have the 8.5 just in case, 19 million to 24 million, and if we capped at 9 million your corpus a minimum will be 20 million to 26 million. Again, you guys will figure out the investment vehicle with GEDA your advisor which how risk or safe it is to do it. Now, the reason, I know when I read the director to present this, she said why don't we present the S&P 500 index, why don't we present the Dow Jones industrial and why didn't we present the NASDAQ, I only brought this up to show from 2022, from 2003 to 2022 the historical rate of return that bond or stock market yielded average anywhere from 26%, 8%, 10%, 12% whatever the case may be, that's if you want to go through that but just to show you historically each of these examples show a pretty high return, of course, in 2020 something, remember everybody got hit by Covid, the industry really got hit so, hope we don't have another pandemic situation but other than that majority of the time it was good. But GEDA can advise you how they protect a, I was in the meeting and they invested 13 million because they wanted their money returned back, you know a good return back to the cash flow, ancestral land. So, that's the cash flow, we did the, that's it, that's in a nut shell. Let me see what else

**Commissioner Garrido:** what's your progress going with the legislature

**Carlos Camacho, GICC:** well, I told them that I'm meeting you guys, I met with the director first, I did a partial presentation one time but we didn't have enough time because they were other topics, I'm doing a follow up meeting today and they said Carlos, this is a way to find them the funding, we got the support but before we move, we do need a

**Commissioner Garrido:** Are you going through to the utility oversight?

**Carlos Camacho, GICC:** No, I'm going to the appropriation oversight because this deals with money

**Commissioner Garrido:** and who's that

**Carlos Camacho, GICC:** Joe San Agustin, and there is as I stated before and she said can you get a resolution, this movement, this draft whatever you call it, I said I'll leave it up to them because hopefully they see the benefits of this. They find the win-win situation in everything, he said OK, that's why I'm asking if we can do a resolution and support. You guys still have the opportunity to go through a public hearing process because when you see the final draft, you'll see I don't like this, I don't like that whatever the case may be, you as the board can still participate, the director, cltc can go through the public hearing process to make further amendments or addition, the legislature like to put something that, maybe what is not

**Commissioner Garrido:** did they give you any type of timeline

**Carlos Camacho, GICC:** they already know, I told them I'm respecting the

**Commissioner Garrido:** the 2 public hearings

**Carlos Camacho, GICC:** oh, that I don't know, it goes through them approving it, it goes to Mr. Senator Barnett, committee on rules then it gets assigned and, in this case, I think it's Therese Terlaje. Speaker Therese Terlaje, and Therese has to schedule the public hearing and I'm hoping that they see, I've been seeing her support cltc many times resolving the Dave Davies situation and providing seat money, I know you guys going to talk about it in the bill, it may not be enough cover I don't know you guys working on that, I see her characteristics in trying to support this. This is one way

**Commissioner Garrido:** what about the GPA side

**Carlos Camacho, GICC:** GPA, well, they do need to try to minimize their fossil and we think we can be competitive in offering because of the 2002

**Commissioner Garrido:** you foresee a timeline in GPA side

**Carlos Camacho, GICC:** that's why I'm trying to pull this fast, there are fees coming out in 90 to 100 days and I know the bureaucracy of sending it to the bill writer, committee on rules then to the senator to hold a public hearing.

**Commissioner Garrido:** would you're support from the legislature; will they make it available before GPA announces a bid for that

**Carlos Camacho, GICC:** that I can't say

**Commissioner Garrido:** that's why I'm asking what's the timeline the legislature will give you

**Carlos Camacho, GICC:** well, we know that GPA has a phase 1, phase 2, phase 3 and phase 4, they're only going to announce phase 3 we're trying to meet that demand, in case we miss that we're going to get ready for phase 4.

**Commissioner Garrido:** ok, I was just wondering about the timeline

**Carlos Camacho, GICC:** but I did tell the senator you guys have the opportunity to go through the public hearing process and do additions or amendment but I hope that when we write it, it's basically in the spirit of a nutshell of what we're doing of course of any language they put in, I'm not a viewer, they write things

**Commissioner Garrido:** if it does go out and bid, my thoughts are being in the proximity of where you are in Dededo substation/plan. Saves you guys money. Compared to Marbo and Dandan

**Carlos Camacho, GICC:** that's what I mean, and the other thing I just want to say in the event

**Commissioner Garrido:** that's why they allow you to underbid any other bidders because

**Carlos Camacho, GICC:** that's what we think the opportunity is close of all of these federal incentives and all that but the other thing is that

**Commissioner Garrido:** if it's a mile away you can still put in a good bid but you're not a mile away

**Carlos Camacho, GICC:** no, that's the reason. The other thing is after the anniversary day in 2055, which we haven't seen where the relationship is at yet. The infrastructure asset will be there, so, unlike the original lease it ends. This will be a continued lease and you can continue the cash flow model. I don't know how it would be but

**Commissioner Garrido:** are you sure you're going to be around

**Carlos Camacho, GICC:** at least, how you guys are always trying to say, that's why I like to listen to all the different case studies you guys going through when you sign the amended lease for the solar, you guys can put the provision, maybe not for the first developer, when the lease ends, the utility infrastructure still stays in place. The only panels that disintegrate, because they get a 5% disintegration per year will just be changed, all the real estate will stay and cash flow will stay back but that will all be negotiated through the lease agreement.

**Commissioner Garrido:** that can be impacted into

**Carlos Camacho, GICC:** yes, so, you know even the potential carry over. We want to make sure there's a carry over to opportunity

**Commissioner Garrido:** I wish you guy's luck

**Carlos Camacho, GICC:** so, the reason we didn't introduce it yet, I told the senator on the last meeting, one of the commissioners, when I asked if I can do this in parallel because of timing, he said can you wait until you do your presentation which is today.

**Commissioner Garrido:** like I said, I wish you guys luck. If it's going to benefit the people of Guam, I wish you well

**Carlos Camacho, GICC:** When they introduced this in today meeting, they said they will send this commission and the director a copy for review to get ready for public hearing or changes

**Commissioner Garrido:** I have no questions

**Acting chair A. Bordallo:** for you, Alice

**AD Taijeron:** I have no questions, this presentation is for the commissioners, I do want to say for the record however, this is really up to the commissioners, this is their decision. I'm only saying this the current administrative director with the responsibility to our cltc beneficiaries, the law states this property is to be used for a golf course and you're seeking to get that changed.

**Carlos Camacho, GICC:** that's correct

**AD Taijeron:** I would say that I believe if GICC is unable to continue to operate as a golf course as the law states, return the land so that cltc may be able to build homes because the infrastructure is already there for its lessees or potential lessees. For me, as the current administrative director the best use of that property is to build homes,

partner up with another agency that can actually do it, it would eliminate one of the most long standing and most costly issue in getting lessees into homes so I speak only as the current administrative director, it's not my decision, it's going to be based on the commissioners, their decision, but I do need to make it known. I oppose this and if this is to move forward then allow for other companies to bid to use this property, if it's the desire of the commissioners to allow this property to be used as a solar farm, let it go out to the bid process. I believe that by doing this through legislation and the way you're trying to get it done is special interest and could be, cltc could be liable to that. If the commissioners decide to use this property as a solar farm, open it up to others to bid. Our recommendation is no, turn the property over, pay what is due to cltc, GICC is still 700 thousand some dollars behind, so that we can use that money to address and help our constituents. I just wanted to put, I apologize if I'm out of order but as the current administrative director I am concerned and I want it for the record that I oppose that, return the land, we'll begin working on building homes and not be enamored by the potential money to be earned or gained and we also had this discussion, one of the questions I asked was GICC will deposit 10% and then hoping the market does well, they'll continue to pay into the endowment fund until it reaches its full corpus level, correct.

**Carlos Camacho, GICC:** to clarify that is, the existing lease for now, one or two to go through the land use commission and all that process, we'll still continue to pay the lease, if the law is signed, we'll still continue to pay the lease and their commitment to their lease, then when the law, I mean the land use commission passes it, it's probably going to take a year or so to start the construction of the program that's when we kick in, we do the 10% down, let's say the number was 8 million, 10% down would be a 100 thousand, then when they finally turn the product over and write the sell to GPA, we will bring 90% corpus in, the original liability they owe on their lease they'll still pay until those other milestones are exercised. When it comes to affordable housing, I do affordable housing and I think it's just me and I know some of you, I know you always mention director it's not about the cash flow but I think if you have a corpus that's finally done and a steady sustainable cash flow from the corpus, you can use that money to develop the other unapproved you got in your inventory to grow and I know, since you brought up housing, I know because I was involved in it in 2012, only on the side lines, watching one of the lots you guys develop and went through the whole land use commission, rezoning everything up in Yigo, across the gym. That yielded 166 lots and the government that wanted to be a developer couldn't make it work, I don't know what the reason was, couldn't make it work and then the Leon Guerrero, Tenorio administration came right after Covid they put out the RFP for that again. The RFP was put up by the department of public works. As a housing developer, I'm sorry not RFP, and RFI, to say who can bring in infrastructure, build these houses based on this price category. That's all-public record on an RFI that was announced, I forget 2021 something

**AD Taijeron:** I want to state for the record that I won't support it, I don't support but it's up to the commissioners

**Carlos Camacho, GICC:** I just want to show

**AD Taijeron:** and I do understand the government does have a difficult time putting in infrastructure, it's costly. Cltc is actually working with GWA to help, we have grants so working with those relationships to try and get it out there. With regard to taking money that's going to be earned and putting it in, if lessees paid their bills on time or paid what is due to the cltc on time we could probably do the same thing, maybe not at 13 million but working on the interest on that. I just want to say for the record madam chair,

commissioner Herrera, commissioner Garrido that as the current administrative director, I don't support it however, it's up to the commissioners to decide

**Carlos Camacho, GICC:** no problem, it's your right

**AD Taijeron:** and I apologize if I'm out of line

**Acting chair A. Bordallo:** no, you're stating the facts

**Commissioner Garrido:** I have no questions

**Commissioner Herrera:** no questions

**AD Taijeron:** Mr. Camacho is seeking a memorandum

**Carlos Camacho, GICC:** a resolution

**AD Taijeron:** a resolution from the commission

**Acting chair A. Bordallo:** now, that's the legislature's

**Carlos Camacho, GICC:** request. And we don't know if it's going to pass by the way

**Acting chair A. Bordallo:** and the thing is, it's GPA that's asking customers to bid and that's not guarantee you'll win the bid

**Carlos Camacho, GICC:** it's not guaranteed

**Acting chair A. Bordallo:** I can see the logic where it's close to the GPA plant, it's won't be that closely for them, we have also to remember that the golf course is supposed to be for the use of the residence

**Commissioner Garrido:** the essential use of that property is for golf course now, if that's going to change, it's better to change from the legislature which is what you're addressing now

**Carlos Camacho, GICC:** that's correct, and we don't know if we're going to get the votes

**Commissioner Garrido:** you don't know if you're going to get the votes, you don't know when GPA is coming out with the bid and you do have an advantage though with the proximity to the power plant. GPA will decide who wins the bid and if they feel you're not eligible they don't have to entertain you

**Carlos Camacho, GICC:** that's right and also the federal tax credit that will help lower the costs. That's all we got to try

**Commissioner Garrido:** I have no questions, any more questions

**Acting chair A. Bordallo:** Thank you for your presentation

**Carlos Camacho, GICC:** thank you

**Commissioner Garrido:** madam chair, can I call for a recess



**Acting chair A. Bordallo:** sure, 10 mins

**\*\*\*\*10 Minute Recess\*\*\*\***

**Acting chair A. Bordallo:** Call for meeting back in order

**AD Taijeron:** Thank you, madam chair, The next item on the new business, the commissioners has been provided a list of those seeking loan guarantees. (some portions are inaudible) an update with the SBA attorney has indicated. Had a brief discussion with his chief of staff regarding the issue we are asking for as the commissioner's motion 12.8 million dollars. Senator San Augustin chief of staff indicated that he will discuss with the senator and call me back to meet if they needed for their clarification. I've met with the Guam Housing Corporation regarding to loan guarantees, a letter was sent to GHC regarding the loan guarantees to memorialize our meeting and conversation in addition I asked if they would consider reducing their interest rates for Mawar disaster victims seeking to rebuild mostly especially SBA applicants. I also met with the chairman of Guam Housing Corporation board and asked if they would be a consideration, the chairman indicated that he will take it up with the board. GHC is meeting at the end of the month if I'm not mistaken. An update on SBA discussions, the SBA attorney has indicated they are aware with the cltc meeting for September 21, 2023 and asked her for any type of information and updates or discussion that have been taken place, she's indicated that cltc is still under review, they are committed to try to help SBA applicants however with regard to our request to address or mitigate these current issues she said it's still under review with their management. I've also been in discussions with communication with the Governor's office to discuss potential solutions to include funding and address the current law with regard to loan guarantee fund to reasonably secured the loans that have been authorized. Are you open to any questions for the commissioners, I understand that it may, I have, it has been said and I have been accused of not being proactive or taking any actions with regard to these loan guarantees, I am doing everything, as the administrative director, I have and I'm doing everything with my authority to find solutions, this has been an issue for many years and it is unfortunate that these discussions with regard to changes, potential changes in the law or rules and regulations did not take place in anticipation in future events such as Mawar. That is happening now, if the commissioners are not satisfied with my efforts not yielding the results that the commissioners want in the time the commissioners want then it's within the commissioner's authority to decide to approve loan guarantees or not. If you want to approve these loan guarantees so these individuals will get their SBA loans approved and begin rebuilding their homes and their lives then the commissioners and make a motion and vote on it. I'm only the administrative director and the commissioners need not listen to anything I have to say, the authority lies with the commissioners to make this determination. I'm doing everything I can to try and resolve and address this situation. Day in and day out discussions but I cannot make that decision, I provided information to the commissioners, everything I'm aware of you'll be aware of, just because your not aware of it doesn't mean I'm withholding information or that I'm not being transparent, everything I, and you may not get it the exact same day as I may have but I try to get that information out there, there's a lot going on, I am trying to address the situation with these SBA applications but this is outside my authority. If the commissioners wish to approve these loan guarantees outside anything else that may occur, that is within your authority. As a matter of fact, I had a discussion with the Governor's office this morning, we are trying to move to assist, the Governor is trying to move as quickly as possible to assist these SBA applicants. Funding, trying to identify funding to get here, in addition to whatever it is, the 1 million dollars that still falls short, the 1 million dollars that was appropriated by the legislature, the Governor is

trying to find other solutions to address these situations. With regard to loan guarantees, I hope that I've updated the commissioners and address whatever it is that was asked in the last meeting with regard to this. That all I have madam chair, I am open to questions.

**Acting chair A. Bordallo:** where do we go from here

**Commissioner Herrera:** I have a question on chapter 75a, page 23, that last sentence that was kind of restricting us from that, making a motion.

**AD Taijeron:** was that the last sentence, is that in regards to the applicant

**Commissioner Herrera:** page 23, yeah

**Commissioner Herrera:** of course, we need legal to, if you don't mind madam director read that last page just for us, I know the attorney is not here

**AD Taijeron:** so just for record purposes I'll just indicate, page 23. 21 Guam Annotated real property Chapter 75a CHamoru land trust commission effective January 1, 2021 page 23, I believe sub section H of section 108, on the last sentence indicates in no event shall an aggregate amount assured by the commission exceed the ability of the CHamoru loan guarantee fund to reasonably provide security for the loans authorize. Is that the

**Commissioner Herrera:** correct, and if legal was here, we want legal to correct that sentence, I understand madam chair you mentioned last meeting that if we do approve this, we're open to a lawsuit so that's statement here that said reasonably to if you can repeat that again, reasonably.

**AD Taijeron:** I'll read the whole sentence. In no event shall the aggregate amount assured by the commission exceed the ability of the CHamoru loan guarantee fund to reasonably provide security for the loans authorized.

**Commissioner Herrera:** so, what's restricted us is that we don't have the funds for this particular balance

**AD Taijeron:** I've had discussion with legal and other attorneys with regard to this. What, the issue here is that reasonably provides security for loans authorized is general.

**Commissioner Herrera:** very general

**AD Taijeron:** it's general, so the commission needs to decide what is, for them would be reasonable to provide security for the loans authorized

**Commissioner Herrera:** question, for the loans right

**AD Taijeron:** for the loans authorized

**Commissioner Herrera:** so, we have loans from 2005 till today

**AD Taijeron:** so, just so we're clear. So previously, already there were loans authorized at 10.4 million dollars

**Commissioner Herrera:** correct, now is that reasonable, that's my question, I'm not challenging anybody

**AD Taijeron:** what's reasonable

**Commissioner Herrera:** the 10 million, how did we get to have an approved 10 million dollars of unfunded liability. So, if add another 10 million, is that still reasonable? I mean this is just and we need legal to break this down for us because we really want to approve this 20 and give them the loan guarantee

**AD Taijeron:** so, the 10.4 million commissioner Herrera is previous, the commissioners did that previously not this board

**Commissioner Herrera:** I understand

**AD Taijeron:** not these commissioners, how we got to that and I'm just, it's dangerous but I'm going to venture I guess that these issues and this portion of the law was not, was not potentially brought to the attention of the commissioners. Causing a huge liability for the commission

**Commissioner Herrera:** the reasonable of the balance

**AD Taijeron:** so, what is reasonable with having, how much money or what is the percentage that the commissioners find reasonable to have in the CHamoru loan guaranty fund to be able to secure, for instance there is currently 10.4 million outstanding, not everybody is going to default, we'll SBA as an example there default rate is 20%, if we had, is it reasonable for the commissioners of the 10.4 million dollars to have 20% or 30% or 40% to secure any loan requests to secure the 10.4 or the current amounts being asked. So, the question there is, it's really up to the commissioners to determine what is reasonable

**Commissioner Herrera:** so, is SBA when you met with them, do they want dollar for dollar match. That's what I don't know and that's what I would to hear from legal or from SBA legal, do they want million to million or dollar for dollar or can we go 25% SBA to 75% land trust, I don't know the number and is that reasonable, do we have the asset to cover 10 million, of course, know we have the property asset maybe 10 million, I went to the raceway Tuesday, I was assessing what they're extracting from the neighboring lot, just looking at what's left to be extracted to get the property down to the level of 505 feet, they need to excavate about 5 million cubic yard but I'll put that on the side, what we want to know is what is SBA really asking, is it dollar for dollar, that I don't know

**AD Taijeron:** Attorney Butler from SBA hasn't responded with regard to that, I believe that was one of the questions asked, she did indicate in our discussion that if 1.1 million dollars is due, they'll ask for 1.1 million dollars, they're not concerned with regard to how much we have in us to secure that's going to be up to CHamoru land trust, what they are concerned about is in the event that they come to collect that we have the funds to pay

**Commissioner Herrera:** and attorney Butler is from SBA, so they're not concerned how much cash we have in the account

**AD Taijeron:** they just want to get paid, but according

**Commissioner Herrera:** yes, what if we give them a note that we will guaranty, a note, they don't require a note to be backed up with an escrow number. I'm asking, I'm not, I can give a note that I promise to pay SBA 3.3 I promise, I give you my note but my note doesn't have any cash to in escrow to back it but I have property that we can secure the note and we do have property that would secure maybe, it's a risk but the point here is how can we accelerate to get the loan guaranty for this 20 constituents that's number 1 and number 2 and it's been mentioned here that particular language that we were saying not to exceed, right director that's the language

**AD Taijeron:** not to exceed to ability for the CHamoru loan guaranty fund to reasonably provide security

**Commissioner Herrera:** to provide legislation to modify the language to give us more room or rebuild the particular language in its entirety that sentence will that free us from liability and can we also write the note, we need legal to determine that

**AD Taijeron:** I will recommend that legal make that determination with regard to law and the liability to amend the law

**Commissioner Herrera:** to amend the law, language it where it can be reasonable and we can secure it with our real estate, 7161-R1 for an example is valued right now at 10 million, that's another instrument we can use, you know but again, we need legal to say can we use this particular portion as a substitute in lieu of cash to secure your 20 or more and again, if there's a foreclosure then we anticipated having a million now from the fiscal year 24 and the return of the 600 hundred thousand from the extraction back from the funds, the remittance of tax payment from tax and revenue to be remitted back to CHamoru land trust

**AD Taijeron:** I'm not going to count on that

**Commissioner Herrera:** ok

**AD Taijeron:** then we would be a 1.9

**Commissioner Herrera:** Yeah, just to accelerate and get this thing, now to get a legislative amendment to repeal and amend we have to hustle to get the language to the legislature if we so decide to or we can make a motion now, make an approval and we can say in our opinion it's reasonable but again we need the attorney to say stay in the parameters of reasonableness in good faith, we're not trying to scam SBA, this is in good faith to assist the disaster victims. Of course, are we afraid of the lawsuit, I've been sued twice so I know how you feel so you know personally, I got sued twice

**AD Taijeron:** I sit on a commission; I get sued all the time

**Commissioner Herrera:** but we have the asset to barter or in lieu, we do, look at the map

**Acting chair A. Bordallo:** most of these loans, to build home right

**AD Taijeron:** Yes

**Commissioner Herrera:** Yes

**Acting chair A. Bordallo:** we sell the house

**Commissioner Herrera:** in a foreclosure, yes, that's what I'm saying

**Commissioner Garrido:** I can input

**Acting chair A. Bordallo:** Yes, go ahead

**Commissioner Garrido:** for me personally to determine what is reasonable, out of our 10 million funded liability, how much of those have actually defaulted

**AD Taijeron:** 1.1 million dollars and that's just principal

**Commissioner Garrido:** out of 10, ok, so we're looking at 10%

**Acting chair A. Bordallo:** right

**Commissioner Garrido:** I can attest to commissioner Herrera's passion to try and help the victims because he's in the same situation, his home it's destroyed, he lost

**Acting chair A. Bordallo:** is it in CHamoru land trust

**Commissioner Herrera:** LUP, land use permit, when they completed condemned all their private property from naval magazine for land less so the government said your priority one, your land less so here's government land in lieu of the condemnation.

**Acting chair A. Bordallo:** so, that's your land then

**Commissioner Herrera:** No, it's under LUP 12-226 and the language in 12-226 if you have a land use permit you won't be evicted but I don't have a lease, anyhow

**Commissioner Garrido:** going back to what I wanted to put a star on his CHamoru land trust does have the equity to cover the unfunded in the event the mass default like that which is highly unlikely we're looking at 10% and I think 10% can qualify as reasonable, we can even lift it up to 15, 20%. But we do have the asset in the event of a default. I'm looking out for the welfare of victims of the typhoon that are left without proper shelter, living under a tarp. I too would like to help them as quickly as possible, we're going on 6 months after the typhoon, they're still living on dirt floors and if you notice lately the weather has been really bad for people who have been living in that type of condition since Mawar, I have to side with the commissioner on his passion to help these victims, to have the compassion for them, I didn't think of using the properties a the vehicle to secure the loan guarantees that's a fresh idea and like the chairperson said they'll be building home those those properties so that's an additional asset for consideration and this would be just be this particular typhoon Mawar, just like you had asked Guam Housing to give a special rate for this disaster so, maybe we can come up with something inventive to help those victims. I'm not saying we're not trying

**AD Taijeron:** I understand commissioner. Would you like, do the commissioners want legal counsel

**Commissioner Garrido:** yes, and with that said I'm glad you said it, I propose that this portion and the nine which is legal counsel discussion and actions that we recess after public comments so we can have these discussions with legal and a work in session. That's my thoughts

**AD Taijeron:** so, you want to recess and then have a discussion

**Commissioner Garrido:** after we finish public comments so we'll skip this, this particular item which is the loan guaranty and the legal section until we have legal available and hopefully it would be very shortly. The weather actually is working against their favor because of the rain, heavy rains we've been having. I know if I was living in that type of condition and I have kids and we're living under a tent with dirt floor with all that rain, it's mud and it's not sanitary. That would be my suggestion is that after we finish what's left in the agenda we will recess

**Commissioner Herrera:** three right, I mean

**Commissioner Garrido:** No, after this one is goes down to IX which is nine. We'll set that aside along with the loan guarantee portion, we do 8 and 10. We're here, loan guaranty

**Acting chair A. Bordallo:** look at number 8

**Commissioner Herrera:** there's 3 constituents here for relocation request for approval, Guam Waterworks and then

**AD Taijeron:** I messaged legal counsel and I've asked if she can make it, hopefully the symposium is completed and she'll be able to make it up

**Commissioner Garrido:** When

**AD Taijeron:** Today

**Commissioner Garrido:** Oh today

**AD Taijeron:** if she can make it up today it'll be better that this be addressed as quickly as possible

**Commissioner Garrido:** and if not, we can reschedule it

**AD Taijeron:** it's an ongoing item for the agenda. Thank you, madam chair, thank you commissioners. Under new business, this is for discussion and/or action. First off, we have Sandra A. Mesa, she is a lessee, I believe her information was provided to include a staff report, the lead land agent for that is land agent 3 Glenn Eay. Ms. Mesa is requesting a relocation from the initial area in which cltc had given to her. So, the staff report has, and I believe we have pictures where the land agent had gone out and taken a look at the area. So, there was a site visit conducted and an aerial and topo maps provided. Are we able to get that online? I believe on the topo area you'll see a good portion of the property that she's on is a simple. That's the request to relocate, Ms. Mesa planned to be here but they were an emergency. Anybody here with Ms. Mesa, there was an emergency that she had to attend to

**Commissioner Garrido:** on item 2 on Ms. Mesa, are we going to discuss this or are we going to skip her, she's not here.

**AD Taijeron:** she's asking that it be discussed, her request is that it be discussed and not held off, and that the commissioners make a decision however if you seek or require her presence then we can inform her on that. We will put her on the next agenda and that she needs to appear

**Acting chair A. Bordallo:** what's the lot number that she wants relocation

**AD Taijeron:** she was shown a lot in Yigo, I think it's, same lot size

**Glenn Eay, cltc:** track 92-10

**AD Taijeron:** Track 92-10

**Glenn Eay, cltc:** it's a quarter acre lot

**Commissioner Garrido:** when was she issued that lot

**AD Taijeron:** when was she issued, which lot, the first one

**Commissioner Garrido:** the one she's asking to relocation from

**AD Taijeron:** from, her lease was back in 1998, lease signed in 1998. I believe she just started to try and build

**Commissioner Garrido:** my question really is how did she get a lease for a quarter acre up in the northern aquafer

**AD Taijeron:** no, her lease is over in Mangilao, the lease, the lot description is in Mangilao

**Commissioner Garrido:** it's still in the northern aquafer

**AD Taijeron:** Right

**Commissioner Garrido:** she's the sole lessee, she didn't inherit it

**AD Taijeron:** she's the original applicant

**Commissioner Garrido:** so, I guess the first mistake and I would have to assume the responsibility for that is cltc was at fault for issuing her the quarter acre lot

**AD Taijeron:** back in 1998 not in 2023

**Commissioner Garrido:** yes, but the statute was in place already back then. That confounded with the sink hole as she indicated her preference as to where she wants to relocate to and how big a lot.

**AD Taijeron:** Our land agent actually took her out on a site visit over to 92-10 and it's the same, quarter acre

**Commissioner Garrido:** is there sewer available in that quarter acre

**Glenn Eay, cltc:** in that track 92-10 it's over a hundred of 1 acre lots, there's no sewer available there but it's been approved for residential use

**Commissioner Garrido:** but, where back in the same, we're still not performing, if there's no sewer the law dictates that smallest you can have in the northern aquafer is a half-acre without a sewer

**AD Taijeron:** they have to if the commission decides, they can show her other lots

**Commissioner Garrido:** maybe there was an exception back then in the 90's but in today's world it's still not conforming, so, we're bringing a problem forward

**AD Taijeron:** she was only shown the lot, nothing was issued so if the commission move to approve the request for relocation, she can be shown other lots

**Commissioner Garrido:** I will support her request for relocation but it shown be conforming to public law

**AD Taijeron:** for showing of new lots

**Commissioner Garrido:** if she's going over to the northern aquafer and there's no sewer it's got to be at least a half-acre

**Glenn Eay, cltc:** as you mentioned in the past, things have changed for the requirements in the northern aquafer especially that particular area 92-10 we have over 50 constituents there that occupying there, many of those already have concrete homes and they have sewer septic tanks and they went through their committing process and as to date I know EPA is getting more stricter guidelines on regards in the northern aquafer, as far as quarter acre is concerned where they're located in Mangilao, there conditions on building on quarter acre lot, let's say you have a 2 acre lot and you subdivide it to a parental subdivision, you can to a quarter acre lot and that's crazy because you still over the northern aquafer right across the street their neighbors the poppy has quarter acre lots but they're able to do it only through a parental subdivision, that's another thing, the Arc is getting stricter right now, because when Ms. Sandra was trying to build there last year they were inspected by EPA, your located in the norther aquafer you don't meet the standards to build a structure yet and the problems with the property found to be a sink hole

**Commissioner Garrido:** that's what I'm saying

**AD Taijeron:** I think commissioner Garrido what we can do is with regard to the lot showings they always, we will ensure that it's in conformance that's can be a second set should a relocation be approved. If you approve a relocation then the land agent will take her out and show her lots and ensure those lots are in compliance with the law

**Commissioner Garrido:** I'm ok with that, I'm not against of her relocating because of the sink hole, quarter acre with a sink hole is not a small thing but if we are to relocate her, relocate her based on the current statues

**AD Taijeron:** ok, relocation based on current statues

**Commissioner Garrido:** that's my opinion, I don't want it to reoccur with her when EPA kicks in and says no you can't because you don't have the sewer line. Parental subdivision is a cache 22 to that law

**Glenn Eay, cltc:** right

**Commissioner Garrido:** and that's basically what land trust is, to build a house for one recipient

**AD Taijeron:** and also, in addition to this request is for her relocation, that area where's she at is a sink hole, I believe the land agent, we spoke about it, it's probably prudent to identify this area as a sink hole and remove it or deem it as unusable

**Commissioner Garrido:** use it as a ponding basin



**AD Taijeron:** yes, unusable, so, that will be two actions that's needed from the board, to approve the relocation and to deem the current area where Ms. Mesa located as unusable

**Commissioner Garrido:** I move that we approve for relocation request and we deem the existing lot as unredeemable or unusable, and maybe on the sideline suggest that it become a ponding basin

**Acting chair A. Bordallo:** that's for Sandra A. Mesa

**Commissioner Herrera:** you have to mention the lot block

**Acting chair A. Bordallo:** tract 194-12 block 1, lot 7 in area of 924 square meters in Mangilao, that's a quarter acre

**Commissioner Garrido:** so that's my motion, lot description is lot 7, lot 1 block 194-12 Mangilao, and the second part would be that particular lot be designated as unusable or condemnation

**Acting chair A. Bordallo:** let me just read, a motion by Commissioner Earl Garrido that Sandra Mesa is awarded a on lot

**Commissioner Garrido:** lot 7, block 1, tract 194-12 Mangilao

**Acting chair A. Bordallo:** lot number

**Commissioner Garrido:** should be designated as undevelopable or be designated as a ponding basin because of the sink hole

**Acting chair A. Bordallo:** ok

**Commissioner Garrido:** second

**Commissioner Herrera:** I second the motion madam chair

**Acting chair A. Bordallo:** all in favor say aye

**Commissioner Garrido:** aye

**Commissioner Herrera:** aye

**AD Taijeron:** just to clarify as well that we will show the land agents will provide Ms. Sandra Mesa lot showings and the lots needs to ensure that the relocation is according to the statute

**Commissioner Herrera:** yes

**AD Taijeron:** and no permitting requirements

**Acting chair A. Bordallo:** not clear yet

**Jhoana Casem, cltc:** so, the first motion, this is the second motion, correct?

**Commissioner Garrido:** the second motion designates the lot unusable or use as a ponding basin

**Jhoana Casem, cltc:** so, your first motion is the approval for relocation

**AD Taijeron:** so, when she's been shown a lot, she will have to come before the board again, the board will need to approve the lot. She's already been shown a lot but your concern is conformance with law

**Acting chair A. Bordallo:** well, if it conforms with the law, she doesn't need to come back

**AD Taijeron:** Yes, the board has to approve the lot

**Commissioner Garrido:** so, when we match her up have her come back for the final gavel

**AD Taijeron:** Just for the approval of the lot

**Commissioner Garrido:** Yes

**Acting chair A. Bordallo:** Ok, next one is Shirley P. Gagan

**AD Taijeron:** so, Ms. Gagan, can you come to the front? I recorded earlier it was the SBA loan guaranty and also, she needs approval to build on her property. I believe Ms. Gagan plans were also provided, pursuant to the law in order for her to build she needs permission from the commission and she just needs to submit the building plans and other items there, the commissioners will take action on that. I believe there's information on the staff report.

**Commissioner Herrera:** the building plans have been submitted already

**AD Taijeron:** I apologize the commissioners should have gotten a copy of that

**Commissioner Herrera:** it's ok

**Glenn Eay, cltc:** it's attached with your staff report

**AD Taijeron:** so, we provided the staff report and building plans

**Commissioner Herrera:** so, this is an approval for building but not approval for loan guarantee

**AD Taijeron:** not yet

**Commissioner Herrera:** ok

**Commissioner Garrido:** what does this issue outside the date and time, is this the one that's a few days

**AD Taijeron:** that's just been an ongoing, she's December 4<sup>th</sup> but the lease is already issued, if I'm not mistaken it's been ratified, that's something the land agent wants to bring up just so the commissioners are aware. But, in speaking to legal counsel for all intents and purposes, the lease has already been issued, signed, consummated. It's good to go

**Commissioner Garrido:** so, it's good to go

**Acting chair A. Bordallo:** she just needs authorization to build by her submitting a permit

**AD Taijeron:** no, the commissioners need to approve for her to build and what's needed is for her to just provide her building plans and then she will move forward and work with the permitting agencies, we don't authorize the permits we just authorize the, we give the approval, I mean the commissioners give the approval to build.

**Commissioner Herrera:** I would like to make a motion for the lessee's request to build and construct a home, do I have to identify the

**Acting chair A. Bordallo:** the name of the person

**Commissioner Herrera:** for Mrs. Shirley Pangelinan Gagan, do I have to mention the block and lot

**Acting chair A. Bordallo:** Yes

**Commissioner Herrera:** on a portion of lot 5402-R5New -14-8

**AD Taijeron:** I apologize, it's this one commissioner, remember the survey on leases before surveys are conducted it says a portion of, so she had a survey done so it's now the description is changed to that, item number 10

**Commissioner Herrera:** ok, so, correction on lot description, lot 5402-R5 New-14-8 Mangilao

**Commissioner Garrido:** I second

**Acting chair A. Bordallo:** all in favor say aye

**Commissioner Garrido:** aye

**Commissioner Herrera:** ok

**Acting chair A. Bordallo:** motion carried

**AD Taijeron:** thank you Ms. Gagan, what will happen, we'll prepare a letter indicating the commissioner's motion to approve to build and you can use

**Shirley Gagan:** so, I can move forward and take care of DPW

**AD Taijeron:** Yes, you will move forward and that will be in your file, should anything occur and you need proof that the commissioners made the motion it's going to be in your file

**Shirley Gagan:** so, I just have to wait then for your decision for the loan

**AD Taijeron:** yes, the loan guarantee, the commissioners will make that decision

**Shirley Gagan:** do I have to come back again

**AD Taijeron:** No, whatever the commissioners decide, we'll just prepare, we'll communicate with the lessee's and that's why we're tracking them just to ensure your information is updated, your contact information.

**Shirley Gagan:** I'll just be contacting Mr. Eay, thank you

**AD Taijeron:** Thank you so much, and I'll try and get that letter out as soon as we complete everything

**Shirley Gagan:** Yes, thank you commissioners

**Commissioner Herrera:** you're welcome

**AD Taijeron:** Thank you, commissioners, next we have GWA and GWA is requesting for the Umatac waste easements, in the packet there's a letter that was sent by Guam waterworks August 24, 2023 and we have a representative from Guam waterworks, if you can just for the commissioners state your name

**Mar McDonald, GWA:** Good afternoon, madam chairwoman and commissioners, I'm Mar McDonald, I'm the waste water capital improvement project supervisor at Guam waterworks authority, I'm here to request granting a potential utility and right of way, right of entry easement at the Umatac Merizo wastewater treatment plant. The treatment plant serves about 500 customers in the southern villages of Umatac and Merizo, it was originally built in 1981 and it has 21-million-dollar upgrade that was completed in 2020 to serve our customers in the south and this was to meet United States protection and requirements and also reduce the treated the discharge to the river which Improves the river system and reduces the plants impacts of the river system. GWA is requesting approximately 34 thousand 500 square feet for the perpetual utility and right of entry easement and this is for the existing treated enforcing as well as an access trail to the Tongan river sampling location which we need for our staff in order to meet USEPA requirements for our permit.

**Commissioner Garrido:** where exactly is this property

**Mar McDonald, GWA:** you should have a map, I apologize, you may only have property map

**Commissioner Garrido:** Is this nearby (inaudible)

**Mar McDonald, GWA:** its by the Tongan river, I don't have ariels, but I can show you the, after you leave Umatac , heading south before you get to Merizo, mountain side

**Commission Garrido:** Yes

**Acting chair A. Bordallo:** near the bridge right

**Commissioner Garrido:** before the bridge

**Mar McDonald, GWA:** there are several bridges there, it's north of the Pigua bridge is

**Acting chair A. Bordallo:** what the square meters, we go by square feet

**Mar McDonald, GWA:** I apologize, I don't have the conversion, give me a moment I can look that up

**Commissioner Garrido:** is it Route 4 or Route 2

**Mar McDonald, GWA:** Route 2

**Commissioner Garrido:** it's showing Route 4 but I know route 4 ends in Inarajan

**Mar McDonald, GWA:** it comes around

**Acting chair A. Bordallo:** Route 2

**Mar McDonald, GWA:** there's a route 4 in Agana, the Chalan Pago, Ordot comes around

**Commissioner Garrido:** I thought it stops in Inarajan and the other side of that is route 2 because it starts at the entrance of naval station

**Mar McDonald, GWA:** route 2 over by the Agat area, Agat and Santa Rita area. I don't know off hand exactly where route 2 ends and route 4 begins, I'll get that information for you

**Commissioner Garrido:** No

**Acting chair A. Bordallo:** it's saying route 4

**Mar McDonald, GWA:** on the map

**Commissioner Garrido:** understanding route 4 indigently, because you don't have a highway anymore, go through the village

**Mar McDonald, GWA:** I believe you have a copy of that in your file, in your hard copies

**Commissioner Garrido:** we know what area you're talking about

**Mar McDonald, GWA:** yes, that area increase in elevation, it goes up to wastewater discharge system and coming up from the river, part of that encompass the river bed, so we need access to that to sample portions of the river to meet our EPA permit requirements

**Commissioner Garrido:** where would you get permission to use the river side

**Mar McDonald, GWA:** we have a USEPA national discharge elimination system permit that allows occasional discharge into the Tongan river prior to

**Commissioner Garrido:** But, that's Army Corps right

**Mar McDonald, GWA:** the Army Corp is involved in many constructions permits when we're dealing with surface water bodies in rivers and lakes and so forth, for this we already have an existing discharge to the river and with the upgrade to the plant and you can see the terracing in the picture on your hard copy and mind you that's when we have land applications system treatment, so basically, it's about nitrates, it's a great fertilizer, it's a lot of water. We run irrigation system down the terraces so the plants up take it, they grow they take up nitrogen and that's how we get rid a lot of our treated etalon instead of dumping it into Tongan river which was the prior practice, prior to the upgrade. I'm sorry, I didn't mean to dump, discharge or treated

**AD Tajeron:** our land agents went up and took a site visit with our GWA team

**Mar McDonald, GWA:** it's a beautiful location, it's very nice, it's a lovely setup I'm very proud of it.

**AD Tajeron:** on the staff report commissioners, there aren't any cltc lessees occupying lot 527-1 as reflected on the overlay, there's no lessees or occupants within the area of the 34,000 square feet as requested by GWA, the terrain of the property is mountains, hills and valleys and there's not public access or rights of way to access lot 527-1

**Commissioner Garrido:** where is 527-1

**AD Tajeron:** that's the lot they are asking

**Commissioner Garrido:** is that it, where is your pump

**Mar McDonald, GWA:** if you see the large pond, that's part of the treatment, we have pumps down in that area in the treatment system and it pumps up

**Commissioner Garrido:** you take it up to the hill

**Mar McDonald, GWA:** and you can see a portion of the terrace on the bottom right of the picture, those are the terraces where we have the irrigation system

**Commissioner Garrido:** secondary pond

**Mar McDonald, GWA:** it's the treatment pond

**Commissioner Garrido:** secondary pond because you have the main pond right there

**Mar McDonald, GWA:** we have the one pond for treatment

**Commissioner Garrido:** what's the one in L-510

**Mar McDonald, GWA:** ok that's a storage pond for that, but it's treated effluent. The one you see towards the coast is the rectangular pond and that's where the treatment takes place.

**Commissioner Garrido:** so, that's 527-R1

**Mar McDonald, GWA:** there should be another map showing the easement boundaries, it's outlined in red. Scroll down, the other one

**Commissioner Garrido:** is that 527-R1

**Joey Cruz, cltc:** what there asking for includes a portion of 527-R1 but there is no occupant

**Commissioner Garrido:** on the satellite photo that's your road coming from the main pond to the secondary pond right

**Mar McDonald, GWA:** you will see a winding road, that's the access

**Commissioner Herrera:** so, this part, this is the discharge

**Mar McDonald, GWA:** they pump up the hill to the terrace and the large storage tank on top and let's water roll down the hill and basically irrigates the grass that are on the terraces

**Commissioner Herrera:** So, these are grass

**Mar McDonald, GWA:** yes

**Commissioner Herrera:** sword grass

**Mar McDonald, GWA:** not yet, there are grass, I don't know the specific variety of grass it is but it does take up the nutrients in the water and it takes up the water so that

**Commissioner Garrido:** as long as it's not nursery grass

**Mar McDonald, GWA:** it's not nursery grass

**Commissioner Garrido:** Boonie grass

**Mar McDonald, GWA:** Boonie grass

**Commissioner Herrera:** and it's maintained by bush cutter

**Mar McDonald, GWA:** GWA maintains the grass, we do have to cut it fairly often in order to maintain

**Commissioner Herrera:** I would like to make a motion to approve the request from Guam Waterworks to the new perpetually utility and right of easement approximately 34,500 square feet within lot 527 in the municipality of Umatac

**Commissioner Garrido:** before I second the motion, I just want to ask a question. The road, is it build or is it based on the topography.

**Mar McDonald, GWA:** actually yes, you see where the river flows, all the darker green vegetation. So, there is a bridge that goes over the river and a safer way, safest way to get up to the top

**Commissioner Garrido:** I second the motion

**Acting chair A. Bordallo:** 527-1 or 527

**Commissioner Garrido:** 527

**Mar McDonald, GWA:** are you asking for, I don't have the

**Joey Cruz, cltc:** the lot 527-1, it's the area

**Commissioner Herrera:** madam chair I would like to make a motion to approve the Guam waterworks authority request for a new perpetually utility and right of entry easement approximately 34,500 square feet within lot 527 municipality of Umatac and if approved Guam waterworks authority should conduct a survey to remove the area from cltc from available lands for leasing an area to be dedication for a utility easement

**Commissioner Garrido:** does that mean you guys are partitioning the property also, because this is for perpetual use

**Mar McDonald, GWA:** I don't know any plans to partition

**Commissioner Garrido:** you're not going to cut it up the way you're showing up here. You see how you all the L-7-1 and the right of way is what you're getting, correct

**Mar McDonald, GWA:** what we're asking for was that another map with the red outline

**Commissioner Garrido:** this is the red overlay, you're going to partial out this, this and not sure if this is included

**Mar McDonald, GWA:** there's another map showing a red outline with red hash marks, yeah, right there

**Joey Cruz, cltc:** this is all they're going to parcel out is this is still going to be CHamoru land trust property

**Commissioner Garrido:** this is the main processing plant or is this it

**Mar McDonald, GWA:** you just pointed at it, you see the rectangle

**Commissioner Garrido:** this is your main sewer treatment so you're asking to use the entire parcel here

**Mar McDonald, GWA:** Yes

**Commissioner Garrido:** so, you're asking to use this entire parcel here

**Mar McDonald, GWA:** Yes

**Commissioner Garrido:** so, it's not just for right of way then

**Mar McDonald, GWA:** right of way and access for monitoring the sampling and maintenance

**Commissioner Garrido:** ok, so you're not going to be parceling 527

**Mar McDonald, GWA:** No, we're just asking what's outlined in red on the map on the screen

**Commissioner Garrido:** I second the motion, you still have the first motion out right

**Acting chair A. Bordallo:** all in favor say aye

**Commissioner Garrido:** aye

**Commissioner Herrera:** aye

**Acting chair A. Bordallo:** it was clear what he said, it's pretty clear

**Mar McDonald, GWA:** Thank you very much commissioners, I very much appreciate it and thank you to the land trust team, I appreciate your support



**AD Taijeron:** we'll just prepare a letter indicating the motion that was made then send to us whatever it is needed to be signed

**Mar McDonald, GWA:** Thank you very much

**AD Taijeron:** Just for the record legal counsel is

**Acting chair A. Bordallo:** Roll call, just to say you're here

**Attorney Finney:** yes, I'm here

**Commissioner Garrido:** madam chair can I suggest we go to public comment first, that way these people don't have to wait around while we discuss the legal portion they don't have to wait around

**Jacob :** I am here as a basic, not a part of the racing federation, not a part of any government organization but more just, I come out here 6 years ago and I fell in love with Guam pretty more than a lot of other people, this is going to be my home forever, just saying I'm not a part of the CHamoru land trust, you guys obviously I like staying here to have a lot on your plate, you guys are a huge organization and you guys are very for the people and I'm acting like I'm CHamoru but I'm not really appreciate everything you guys did

**Commissioner Herrera:** Thank you

**Jacob:** more of ways I saw you at the legislature speaking CHamoru and I said Ohh, but I could learn a lot of this especially what you did, it's not about the money, it not about anything else but for the CHamoru people and that's kind of what I've come to believe and where, especially Guam the raceway is not for, that being said, nobody know when I, nobody cares what I did, my niece, all my uncles not only from here in San Diego all through the States, that's for them and I know you guys have family that also do that and it was more for this just for my own essay, not that you guys are against the raceway, you guys are for the purpose of the land trusts. The first thing I did was read your mission statement what you guys are all about, you guys inspired me and hopefully one day I could be a part of this committee, I'm still working on everything, my networking and you know everything. You guys obviously have all the briefcases full of everything and if anything I would love to take the raceway topic off your plate where we have a board member, what can we do to lighten their own as CHamoru land trust and just say you guys can just have this property like you guys know what you did, you guys know where you have to go and I mean, not saying by experience but I know that if someone tells you to do something it's like you guys need to do this or your going to lose it then you know we listen very much, in the future I hope that I can sit in these meeting and broaden my own love for the island and you guys love for the island, where you said it's not about the money it not about the cash flow, initially when I first this, a lot of racers saw this we were like It's all about money they're selling their soul, they're doing this, there has to be more to that, there has to be something else, for me that's where I learned to amen my family up there, that's where I learned to speak CHamoru, the Guam raceway bring military and you know CHamoru and people from the CNMI all together and that's where it's sad, that's my family and you guys would do anything for the land of Guam, I would do anything for my family and probably now Guam. You guys obviously have great logic and very honorable in my opinion. Thank you for everything you guys have done and will do and I just hope that we can get the CHamoru raceway, the Guam raceway off your plates, lighten up your load a little bit.

**Acting chair A. Bordallo:** you name

**Jacob:** Jacob Tenlu, I am not off any organization except myself, like I said I do scuba diving, I live for the land now

**Acting chair A. Bordallo:** Where are you from Jacob?

**Jacob:** I'm originally from Connecticut and I came here 8 years ago through a lot of ways that people come here and I never expect to have this much compassion for one place. My major thing now, people who don't speak CHamoru I love to try to teach them, I like, I have no reason to because I'm not from here but you know if I could help preserve any part of the culture and the community, I would love to do the most I could, anything from volunteering to language classes at the community center, I've held first aid at the mayor office. I have family now down south, not legal family but you everybody said everyone is auntie and uncle here.

**Commissioner Herrera:** do you do dive cleanup

**Jacob:** I'm a diving instructor, I have my own business here and that I needed that as a focal to stay on Guam so I bought land down in Merizo hopeful gain a carabao soon to really do my thing. Thank you very much and you guys are very honorable, I appreciate everything you done for the island and community that hopefully I could entwine more into. Thank you very much

**Commissioner Herrera:** Thank you, Mr. Jacob. Have a good day

**Raymond Perez:** Hafa adai commissioners, my name is Raymond Perez, to my right is my wife, Carmen Perez. We come because we are, she's an applicant of the null and void list. She's obtained a lease since 2017, we surveyed the property, we paid to survey the property, we have a floor plan to build a home on this property but because our property being null and void, we're not able to move forward. We come today to find out if there's a solution to the issue because we've been coming to meetings prior even before the old commission where Pika Fejaran was in charge and Angela Santos, we also went to a meeting at the legislature in front of Senator Tom Ada at the time but we have not gotten any answers, we were told that the ratification has to come from the legislature and it's on a case-by-case bases. I'm coming forward to ask does it have to be a case-by-case bases or can it be as a whole because of all these null and void applicants. We we're aware of the law stating we couldn't get somebody's property transferred to us because we weren't an applicant. I don't see how blame, put the fault on us and void this lease, this is a legal document, it was signed by the Governor, I don't see something signed by the Governor, notary public present stating that this document is a legitimate document. How can the attorney general say it's null and void. We currently stay at a relative's house because we can't afford to pay rent, we were under section 8 at the time, we couldn't afford rent anymore, rent is too high so we decided to stay at a relative's house, unfortunately because of Typhoon Mawar the relative's house where we're staying at suffered damage and we had to repair that on own because it's not our home FEMA declined and SBA declined, they only approved me for so much, only for personal property. Out of my own pocket we repaired the home that got damaged with no help at all and we want to build a house on the property she's currently leasing. That's why we came today just to, I called recently and said there's a public hearing 3<sup>rd</sup> Thursday of September and to come out

**Commissioner Garrido:** our meetings are every 3<sup>rd</sup> Thursday

**Raymond Perez:** we've been to a couple in the past even as far as

**Carmen Perez:** John Hattig

**Raymond Perez:** even before John Hattig, it was Mr. Borja, Michael Borja was the director at time. It went from him to John Hattig and then now

**Commissioner Herrera:** have you gone through the process, the intake and then the staff report because you went through 3 or 4

**Raymond Perez:** None, no action has been taken

**Commissioner Herrera:** you do have a file here, most likely

**Commissioner Garrido:** Do you have a file here?

**AD Taijeron:** I've asked the land agent to Ms. Perez right

**Carmen Perez:** it's going to be under Torres, you're going to find it under Torres

**Acting chair A. Bordallo:** what's the first name

**Carmen Perez:** Carmen

**Raymond Perez:** I believe the land agent at the time was dufunta Lorraine

**Acting chair A. Bordallo:** Lorraine Nededog

**Commissioner Herrera:** you applied

**Commissioner Garrido:** you were issued a lease

**Raymond Perez:** we were never an applicant, what happened was the initial, the original applicant is her sister-in-law

**Commissioner Herrera:** her sister-in-law

**Carmen Perez:** it was transferred

**Commissioner Garrido:** were you named as the beneficiary

**Carmen Perez:** Beneficiary, oh gosh

**Raymond Perez:** no, she wasn't

**Carmen Perez:** more transferred

**Commissioner Herrera:** so, your sister-in-law is given the lease and the lease was transferred to you

**Carmen Perez:** to me, correct

**Raymond Perez:** No, to correct that. Our sister-in-law was never given a lease, she was only an applicant, we were given, she was given a lease.

**Commissioner Herrera:** what's her date and time, do you know

**Carmen Perez:** it was somewhere in December of 1995, Martha Cruz

**Commissioner Herrera:** her name

**Carmen Perez:** Martha Cruz, it should be in the file with mine

**Commissioner Herrera:** Middle initial

**Carmen Perez:** D

**Commissioner Herrera:** the staff here is very through in getting your chronology, I guess we have to go through what they find based on their chronological findings first. Martha D. Cruz was the applicant

**Carmen Perez:** Yes

**Commissioner Herrera:** she was an applicant

**Carmen Perez:** Yes

**Commissioner Herrera:** Ok, we'll find out what's her date and time she transferred

**Raymond Perez:** I have it here in a letter of relinquishment, October 30, 1995, 2:53pm.

**Commissioner Herrera:** so, you relinquish on October 30

**AD Taijeron:** Commissioners I believe what's being provided is the letters from the Attorney General which speaks, I think it speaks the null and void list

**Commissioner Herrera:** ok, they're doing a null and void on a transferred lease, I'm trying to catch the

**Raymond Perez:** transferred

**Commissioner Herrera:** no, because it's under Martha

**Carmen Perez:** correct

**Commissioner Herrera:** and then I guess we're going to check were you guys listed as the beneficiary, Martha still around

**Carmen Perez:** Yes

**Commissioner Herrera:** we need to find all the, when you say Joe Borja

**Raymond Perez:** Michael Borja was the director at the time

**Commissioner Herrera:** the first time, the lease was transferred in 95

**Raymond Perez:** the lease was transferred in 2016, June 2016

**Commissioner Herrera:** the staff needs to, they have to look at the, may I have a copy of 75a. it sounds like you did a lot

**Carmen Perez:** we did a lot, yes

**Commissioner Herrera:** if you see the rules and regulations that we follow, I mean that's the

**Commissioner Garrido:** according to this, it was the AG that voided the lease

**Commissioner Herrera:** and they gave you the lease

**Raymond Perez:** we were given the lease way before this came about

**Commissioner Herrera:** I understand, and it was signed by

**Raymond Perez:** Governor Eddie Baza Calvo

**Commissioner Herrera:** You know again they must have gone through the process during that administration, you follow right, that administration they most likely have gone through the process

**Carmen Perez:** Process

**Commissioner Herrera:** just to save you a lot of guessing, we'll give you a copy of chapter 75a and it only about several pages

**Commissioner Garrido:** this property is in Barrigada heights

**Raymond Perez:** Dededo, Machanao

**Commissioner Herrera:** and it's been surveyed

**Raymond Perez:** it's been surveyed, we paid it, it's been recorded

**Commissioner Herrera:** Machanao, right across camp Blaz

**Raymond Perez:** this one is off Y-seng song road

**Carmen Perez:** UR market

**Commissioner Garrido:** going to Yigo

**Commissioner Herrera:** in any place, where ever the location is at we going to have to go through the law that we're following and then, we'll just get all the facts. Do you know why Martha transferred it? That's your sister

**Carmen Perez:** no comments

**Raymond Perez:** and she was planning to relocate

**Commissioner Herrera:** it went through the attorney general, even the AG would have to follow the public law

**Commissioner Garrido:** when the lease was deemed void, did you they reimburse you for the survey or anything

**Carmen Perez:** nothing

**Raymond Perez:** we have all the receipts because the previous commission said, don't give up hope, there's going to be a solution at the end

**Commissioner Garrido:** when you say previous commission, who was

**Raymond Perez:** Pika Fejeran

**Commissioner Garrido:** Pika, this one is from (inaudible)

**AD Taijeron:** I'm sorry those letters is from the Attorney general, we actually do have a land agent working on the staff report, commissioner Herrera is correct, they have to do their due diligence and have to go through everything and they'll indicate for the commissioners what the issues are, what they found and so forth. With regard to null and void, that's given the attorney general instructions and the opinion, that's is one of the issues we're trying to address with legal counsel and how to proceed with the null and void listing

**Attorney Finney:** do you want me to speak about the thing what it says about the transfer. The opinion, a part of the opinion dealt with switching, you know when an applicant transferring their applicant right to somebody else while still living so at the time the rules allowed somebody to designate a successor should they pass away but there was nothing in the rules that said you could give someone else your applicant right while you're still alive. There were a number of leases, people entered into the lease but they had an application transferred like what you've described and so I don't know I didn't review your file, I'm just speaking generally, when the AG at the time when they review it, there's nothing in the rules that allows for this, so, when you were asking you know you have a lease, how can you have a lease but you were saying you don't but what happened was the commission, because it wasn't in their rules and wasn't in their law they didn't have the authority to enter into a lease and you guys didn't know, because they didn't have the authority to enter into it that's why we, the AG said if you don't have the authority to do it then you can't and that's why it's void. The intention was, was to try, only the legislature can fix that, if it's outside the commissions authority they can only do what the law allows them to do. If it's outside their authority then the authority would come from the legislature, if the legislature were to make a change that says this is allowed or if you have a lease that's valid then that will be a way to fix that but the problem is it's outside of what the commission have the legal power to do and I sympathetic because I understand that you didn't, I'm sure you wouldn't have done it if you had known, you can't right but unfortunately your case it's, the commission is bound by the law.

**Raymond Perez:** on the letter we got from CHamoru land trust back in 2018, it's states null and void and on the bottom it say on September 2018 the cltc board of commissioners could not hold you a fault for the commissions errors in interpreting the laws and recognizing that only the Guam legislature had the authority to ratified the 102 null and void leases, move to request to the Guam legislature thoughts and ratified it, cltc resolution number 2018-10 was approved and firmly request the list of the 102 null and void leases to be authorized and ratified by the Guam legislature. To my understanding, legislature has to ratify this otherwise this will be considered a lawsuit because the Governor gave me a lease.

**Attorney Finney:** I haven't seen that request but it sounds like it was 2018, the legislature at that time didn't take action on it, that's not to say the existing legislature now can't, you know every time there's a new legislature their new people

**Raymond Perez:** I agree with you on that because even since this came out, I've reached out previously to whoever senator was overseeing ancestral lands and for example cltc. All I got is we'll have them call you back. I'm already about to march into speaker Therese Terlaje's office because I got tired of talking to Maria, Marie, Joaquin.

**Commissioner Garrido:** she's in charge of cltc

**Raymond Perez:** if it has to take the legislature to ratify it, I think that's the approach we're going to take, we were told or I was told I should bring it up to the commission. We did it couple of times already

**Attorney Finney:** again, I haven't looked at your file so I don't know the specifics, I hear what you're saying right now so I'm just speaking again in general terms. The commission can't do any more than what the legislature authorizes them to do and when they attempted to lease out that property, they did outside of the bounds of what the legislature said they could do and because of that, that's why the AG said well it's void, you can't lease out something you didn't have the authority to lease and it makes it void and they were some things that is within their power and they can go back and do it right and so that opinion that came out, well some of these leases are, they called them voidable like that it might be void but maybe they the commission could fix it but the ones that were void the commission does not have the power to fix it, even if they wanted to and that's probably what that letter, I haven't seen it but I'm assuming and I know that's dangerous but that letter is probably expressing that, we would fix it if we could but we cannot and that's why they say who can fix it, somebody can change this situation and it's only the legislature that has that authority

**AD Taijeron:** Mr. Perez, can we make a copy

**Raymond Perez:** my question now is when it does come down when it's no longer available, how do we get reimbursed on what we spent on surveying, maybe even time. I've been coming down here, I literally have to take off work, every time we come down for a meeting, I have to take off work. It's kind of time that I will never get back, I could have been doing something productive, this is productive as well, we're trying to build a house and I look at it, do you want to call, consider this null and void yet you got properties up north where I stay that are trashed yet you still, the cltc still allows people still utilize property

**Carmen Perez:** swamp road

**Raymond Perez:** two properties on ysensong road that is used as a recycling car facility, there's hundreds maybe even more than 500 cars in CHamoru land trust properties on top of northern aquafer maybe coolant and oil spilling out going down to our own water, you want to void that but you don't want to void that but you want to void this that we're going to build a home to live in. that property where those cars sit where a lot of junk cars sit are tin structures, we're going to the proper channels to build a house and your going to void the lease, I, myself I'm an applicant and I explain to my land agent at the time, John Guamtaotao, he's probably not here anymore right, I explain to him, I said, because my lease is null and void as well but my lease I can revert back to my grandmother, who's the original applicant, no problem, I can still be able utilize that property

**Commissioner Herrera:** you applied

**Raymond Perez:** no, it was transferred

**Commissioner Herrera:** you never applied

**Raymond Perez:** no

**Commissioner Herrera:** but you got property from your grandmother

**Raymond Perez:** Paid property tax

**Commissioner Herrera:** your grandmother applied in December timeline

**Raymond Perez:** I think way before

**Commissioner Herrera:** they'll find out the facts on that because you two are like separate because you applied under a Torres or and Perez with your grandma, then you got property from your sister-in-law

**AD Taijeron:** what's your grandmother's name

**Raymond Perez:** My grandmother's name is Lourdes Enriquez, we were informed by Michael Borja, he was director at the time, in the event we get married, we would have to lose one because we can only obtain one lease

**Commissioner Herrera:** grandma Enriquez had a lease

**Raymond Perez:** no, she didn't have a lease, I was given a lease

**Commissioner Herrera:** from grandma, from land trust

**Raymond Perez:** she never had one, my grandmother was only an applicant

**Commissioner Herrera:** and she never got a lease

**Raymond Perez:** finally, when her name came up to get a lease, she asked to transfer it to me

**Commissioner Herrera:** her name came up and she's a December 2<sup>nd</sup>, we find out right because you grandma is still around

**Raymond Perez:** yes

**Commissioner Herrera:** grandma has a file

**AD Taijeron:** Lourdes Mesa Enriquez, probably what occurred is that they already transferred the information

**Commissioner Herrera:** date and time that she applied

**AD Taijeron:** December 5, 1995 at 4:15

**Commissioner Herrera:** she was given a lease, no, yes, grandma was given a lease, under grandma's application

**Raymond Perez:** I was

**AD Taijeron:** he received a lease under the application



**Commissioner Herrera:** I see which is under December 5<sup>th</sup>, the lease was voided

**Raymond Perez:** yes, under the null and void

**Commissioner Herrera:** your lease is voided this time; your grandma is December 5<sup>th</sup> and your sister-in-law

**Raymond Perez:** we surveyed both properties

**Commissioner Herrera:** you see when you read that, just run through that and see where you fit in there then you can parallel, apply

**Commissioner Garrido:** choose where you have a stronger footing in what we're saying

**Raymond Perez:** the problem with my lease is we were thrown in a jungle, no infrastructure what so ever.

**Commissioner Herrera:** it's the document we were looking at because if your document is legitimate right then that transferred can be

**Raymond Perez:** I think my lease was given out in 2013

**AD Taijeron:** I think yours is 2016 and yours was December 17, 2013

**Commissioner Herrera:** your original, more likely your closer to December before 6, these guys are very thorough the land agents, they're very good, a day late a dollar short

**Raymond Perez:** the only reason we're coming back is because we

**Commissioner Garrido:** it's good that you come back, you can't fix problems if you don't know about it

**Carmen Perez:** exactly

**Raymond Perez:** we weren't going to bother anymore, we went to revert trying to get a home, we fell short, we can't afford it

**Commissioner Herrera:** did you hear USDA here

**Raymond Perez:** I got his card

**Commissioner Herrera:** that's one option, the other is Guam Housing, section 8

**Raymond Perez:** we were but rent at the amount we make, we can't afford

**Commissioner Herrera:** there's another program, which is ironwood, they go by income base

**Commissioner Garrido:** there's ironwood up in your area, you live up that road to the right, just before the curve

**Raymond Perez:** where we currently stay is in Swamp Road, that's where the property is at

**Commissioner Garrido:** at swamp road, is that considered swamp road

**Raymond Perez:** where her property is at is in Machanao but we reside in swamp road

**Commissioner Garrido:** that's what I'm saying, the Machanao is that the right turn before the curve, where the old poultry farm was

**Raymond Perez:** you go further in

**Commissioner Garrido:** you go further in and you pass the store, you pass the store that goes to Ironwood

**Commissioner Herrera:** your income is high for GHURA

**Raymond Perez:** Yeah

**Commissioner Herrera:** a rental for your type is too high, 500 for you is too high

**Raymond Perez:** I rather invest in owning a house than making

**Commissioner Herrera:** a thousand is good, or boarder line to pay a thousand a month. Ok, these are the programs that we just mentioned, Ironwood, USDA they're revising their MOU, your best bet is ironwood, it's income base

**Carmen Perez:** I told him to be honest, forget CHamoru land trust, it's not even ours, we're leasing it for 99 years, forget it let's look for our own place you know it's going to take forever for the government to do something about it, it's sad, thank goodness he works for the private sector

**Commissioner Herrera:** if you heard the presentation from USDA, once fiscal year 24 comes in, he's really on the ball the person that was here

**Acting chair A. Bordallo:** I think we need to do research

**Carmen Perez:** I'm not sure if you heard about it, Barrigada, the workers here before, Barrigada

**Raymond Perez:** it only came up with the issue with the Barrigada heights property, the reason why this thing came about but if your going, I look at it if you're going to ratify a couple leases why not ratify all, it's not fair that you're going to pick and choose who get ratified

**Commissioner Herrera:** this is where the legislature does the language and look at the situation, we're not law makers we just follow

**Carmen Perez:** so, we have to go to them again

**Commissioner Herrera:** that's why I said read it through the 75a

**Commissioner Garrido:** we need to research your case

**Carmen Perez:** I hope it gets done

**Commissioner Garrido:** you're bringing two cases to the table

**Commissioner Herrera:** affordable home that you're looking for 500 is affordable or a thousand then there's a program for that

**Raymond Perez:** I'm glad you brought up affordable home because I was a applicant for GHURA affordable home but as the market got higher, I'm not considered low income, I was middle class, so that's only for low income I got kicked out of the list, I was actually when I started the program I was number 25 on the list then got down to number 12 then they told me sir you no longer qualify for this program, it's only for the low income. I'm still considered low income

**Commissioner Herrera:** USDA would address the 1% based on your income and that's a very flexible program, put that in your radar

**Raymond Perez:** that's why I took his card

**Commissioner Herrera:** and Ironwood, if you're looking for a home if you're looking to being separated and that's 500-800 a month

**Carmen Perez:** ok

**Raymond Perez:** we have to research

**Commissioner Herrera:** you're in the private, base operating contract

**Raymond Perez:** no, I work for, locally own private company

**Commissioner Herrera:** Good luck

**Raymond Perez:** Thank you, guys, for your time

**Commissioner Herrera:** read that thoroughly and check where you fall in that

**Acting chair A. Bordallo:** director Taijeron, you got the info on the

**AD Taijeron:** yes, we have their files, what happens is because both of yours is part of the null and void list, I'll work with the teams and we're trying to address this trying to come up with a plan working with legal counsel on that, take a look at it and at the very least try and get a staff report together and we'll be in touch

**Commissioner Garrido:** contact numbers are still up to date

**AD Taijeron:** we provide you the document to update your contact, email and everything and we'll try to communicate with you where we're at with this

**Carmen Perez:** please, I don't want to see another new

**Commissioner Herrera:** your Raymond and this is Carmen

**Carmen Perez:** correct

**Commissioner Herrera:** Torres, and your Raymond Perez

**Acting chair A. Bordallo:** my grandmother's name, Torres-Perez, Familian Kotes

**Carmen Perez:** Kotes

**Commissioner Herrera:** you're employed for 3 years

**Raymond Perez:** I've been employed for 7 years

**Commissioner Garrido:** Is that a private company, the longer the longevity of work the better standing on getting a loan

**Commissioner Herrera:** you heard the program from the last one

**Acting chair A. Bordallo:** you got an earful

**AD Taijeron:** in reference to not wanting to, I'm not permanent here but working with SOP and the processes for this commission regardless who sits in this position with these commissioners, those who keep or should keep this staff moving forward, you will be assigned a lead agent and that's the person, we've made it a practice is to communicate to provide their email as well as our general cltc email so they can track it and that they will respond to you regardless of who sits here, so will be assigned a lead case agent actually yours is Glenn

**Carmen Perez:** yes

**AD Taijeron:** I'll take a look at this and then we'll make that determination

**Raymond Perez:** Thank you, guys, for your time

**Commissioner Garrido:** Because of the late hour, can I please call for a recess

**Acting chair A. Bordallo:** you mean recess until next

**Commissioner Garrido:** It's already 5:30

**Commissioner Herrera:** Legal counsel is here, we can stay overtime, 50 dollars, 55 dollars overtime, time and a half. I'm zero dollars.

**AD Taijeron:** I think the question is

**Commissioner Herrera:** legal counsel here right at least a short

**Commissioner Garrido:** it's not going to be short, there's a lot of, I think legal

**AD Taijeron:** I think the primary was the issue of the loan guaranty

**Commissioner Herrera:** the language

**Acting chair A. Bordallo:** the loan guaranty

**Commissioner Herrera:** the language on page 22 if you can

**Commissioner Garrido:** before we go there, I call for a recess

**Commissioner Herrera:** are you coming back?

**Acting chair A. Bordallo:** recess, till when

**Commissioner Garrido:** 5 minutes

**Acting chair A. Bordallo:** recess

\*\*\*\*\*RECESS\*\*\*\*\*

**Attorney Finney:** what is sounds like you would put out an RFP

**Acting chair A. Bordallo:** to sell it

**Commissioner Garrido:** the legislature process of allowing cltc to mine the minerals on that lot in Fidian and it's going to be solely cltc revenue, that would be considered as incoming revenue

**Commissioner Herrera:** but Fidian has not gone through the permitting process, the lot 7161-1 has gone through the permitting process from the environmental, from all the other agencies but remember the reason why they stop was the litigation for the sound, litigation for erosion was not met in accordance

**Attorney Finney:** I think they went through a process to according, I think they went through the permitting process for clearing and grading

**Commissioner Herrera:** clearing and grading

**Commissioner Garrido:** who

**Commissioner Herrera:** Smith bridge

**Commissioner Garrido:** I thought we were talking about Fidian

**Commissioner Herrera:** with Fidian we have to go through the legislative process to go to the public hearing and for the CHamoru land trust for the legislature to say ok what are we going to do about Fidian, what kind of topography or configuration we want it cut, because we don't want to put a big hole in Fidian like public works quarry, we want to use the property after that but currently we have lot 7161 that's already been shaved but the elevation of the shave is not completed based on what the master plan is supposed to be off the grand prix. Remember we have a peninsula that is unsafe now, the peninsula is unsafe

**Commissioner Garrido:** in my opinion it was never safe

**Commissioner Herrera:** ok, what I'm saying that's one, I'm just saying that would be equal to cash if liquidated and to liquidated it would be 3 dollars a minimal a cubic yard because the demand is getting higher the 3 dollars may be 6 dollars but that's just one part I mentioned, now when we go back to this last sentence, shall be aggregated amount assured by the commission exceed

**Acting chair A. Bordallo:** I have a question, you know the SBA loan, they want us to guarantee the loan, how was worded in their promissory note or disclosure statement. What does it say? Is it the land? Cash?

**AD Tajeron:** Yes, it's cash. As a condition of approval cltc, condition of approval, loan guarantee

**Commissioner Herrera:** Loan guarantee, that's all, just the loan guarantee, it didn't say dollar for dollar, we'll see the lease

**AD Taijeron:** for example, we won't be approving or guaranteeing, commissioners I'm recommending you don't approve dollar for dollar because you'll only guarantee for the building and structure, you don't guarantee for debris clean up or plans or anything, personal

**Acting chair A. Bordallo:** even for that

**AD Taijeron:** I think it's indicated for building, structure and land

**Acting chair A. Bordallo:** land

**Commissioner Herrera:** check the language were

**AD Taijeron:** we need the language from the SBA lease

**Commissioner Herrera:** on the SBA lease

**AD Taijeron:** it doesn't indicate it just says the condition of approval is just the loan guarantee

**Acting chair A. Bordallo:** in the financial statement of CHamoru land trust, you have the balance sheet where you have the assets equal the liability, where does the loan guarantee sit in, is it liability as owing SBA

**Commissioner Herrera:** I understand

**AD Taijeron:** let me call our PC, I actually asked and it hasn't been, there not reporting pursuant to Gatsby 77 one of the rules, it's not on, has not been indicated in the financial

**Commissioner Herrera:** CHamoru loan guarantee fund

**AD Taijeron:** we're waiting for

**Acting chair A. Bordallo:** you know what I'm trying to get

**Commissioner Herrera:** yes, the money in there is a liability

**AD Taijeron:** where on the financials is the loan guarantee indicated as a liability

**Joey Cruz, cltc:** in our added funds, we don't record it but we do disclose it in the management discussions analysis because it a contingent liability

**Acting chair A. Bordallo:** when you say contingent liability, what does that mean?

**Joey Cruz, cltc:** there is a possibility of exposure meaning the feds or whomever the financial institution may call the loan due to unpayment they may not allow for the default cure of paying it monthly to make it current, we've seen the document where SBA had called the loan to pay it in full, CHamoru land trust in the past had paid for one loan and the lender did not allow for the catch-up payment, they demand the payment in full

**Commissioner Garrido:** so, they went to full default

**Acting chair A. Bordallo:** and land trust paid that

**Joey Cruz, cltc:** yes, we about 65,000 dollars I believe it was

**Acting chair A. Bordallo:** what was the original loan

**Joey Cruz, cltc:** the amount, I don't recall the original loan amount was

**AD Taijeron:** we can continue because we are being broadcast through YouTube

**Commissioner Herrera:** so, the full amount that was paid was 60

**Joey Cruz, cltc:** 60 thousand dollars

**Commissioner Herrera:** if I recall that was on the red line, was it green

**Joey Cruz, cltc:** it was shaded yellow I think

**Commissioner Herrera:** yellow, it was only one of all the

**Joey Cruz, cltc:** the one that was shaded green was the bankruptcy

**Commissioner Herrera:** and the red was

**Commissioner Garrido:** delinquent

**Joey Cruz, cltc:** Yes, the charge offs. so, what we've done was we're trying to gather the bankruptcy filings from the last ten years to determine any others of our constituents have filed for bankruptcy and if that was listed one to be written off or not

**Commissioner Herrera:** back to the question of the chair, if we had 1 million, we'll put under the CHamoru loan guaranty fund as a potential liability or

**Acting chair A. Bordallo:** no, it will be a percentage of that, you said it's not in the financials it's just a note how much the guaranty is

**Joey Cruz, cltc:** the fund level, at the CHamoru land trust level, at the fund level we don't record it in our financial statements but the all-government wide level it's up to director Birn whether he reports it or not, in the end even if CHamoru land trust cant's pay it, it becomes a GovGuam problem

**Commission Herrera:** when the 1 million is remitted to fiscal year 24 we would put under the CHamoru loan guaranty fund account

**Joey Cruz, cltc:** if that's the way the appropriation was written

**Commissioner Herrera:** will SBA require that they see the 1 million in our account for them to accept the loan guarantee and we want to know, that we have 1 million in escrow and if they require of course we need to have the 1 million in our account, if they don't require and the language would be on the mortgage, the mortgage would say

**Acting chair A. Bordallo:** let's say the legislature is giving us a million dollars, what happens if the million dollars were calling for them to give it us now because SBA is demanding full payment

**Joey Cruz, cltc:** director Taijeron had mentioned earlier SBA is not requiring to have a certain amount, it's the board to decide what's comfortable percentage or consider to be reasonable

**Commissioner Herrera:** hold that thought, SBA is not requiring that we have what did you say

**Joey Cruz, cltc:** a set aside amount

**Commissioner Herrera:** now we have to check with SBA, is the language there that they do not require that we have the solid cash in the account, SBA requirement

**AD Taijeron:** SBA is just requiring that we guarantee the loans

**Commissioner Herrera:** just the loan

**Attorney Finney:** it's the law that says that it's not SBA, it's the law the amount that's assured shouldn't exceed your availability of your fund to reasonably provide security for those loans

**Commissioner Herrera:** would that be enforced by the judicial branch and the legislative branch, enforced by those two branches

**Attorney Finney:** I'm not sure, it wouldn't be enforced by the legislature, the legislature made the law

**Commissioner Herrera:** who going to take us to court if we have a reasonable

**Attorney Finney:** no, you know I'm not sure what will happen if your take action that is contrary to the law, I would advise you not to

**Commissioner Herrera:** Understand, here it's saying in no shall the aggregate amount assured the commission exceed the ability of CHamoru loan guaranty fund to reasonably provide security. What is reasonable?

**AD Taijeron:** if our current outstanding loan defaults 20%, I would venture what will be reasonable would be 30%

**Commissioner Herrera:** there, that would be the cushion of 20 and 30 would be 10 percent

**AD Taijeron:** to have at a minimum of 30% of whatever you have outstanding in the loan guarantee fund in actual cash, I was going to ask if the commissioners in reading the law, this is a land trust, I'm a little hesitate to change the law, I understand the urgency, the commissioners just need to determine what is reasonable and then work toward getting that cash into the loan guarantee fund, we've got maybe 1.8 that's coming and then working with the front office, I've asked for, and working with senator San Agustin, we've asked, I don't want to speak the Governor and the front office is trying to find a solution to this so the commissioners can approve loan guarantees



**Acting chair A. Bordallo:** wasn't in the news we have a 100 million dollars that the government has

**Commissioner Garrido:** That's FEMA from the Typhoon

**Acting chair A. Bordallo:** Is that FEMA? They should apply some of that money for the loan guaranty because this is typhoon related

**Commissioner Garrido:** all 15 pending loans

**Commissioner Herrera:** minus Guam Housing, the Guam Housing

**Acting chair A. Bordallo:** no, just SBA, you heard what he said

**AD Taijeron:** no, I apologize I was just

**Commissioner Garrido:** in the newspaper it was published that a 100 million dollars that was brought in to the island because of the typhoon

**Acting chair A. Bordallo:** since these people suffered typhoon damages then they should get some of that money for our loan guaranty for these customers that are waiting for SBA approval. I think you should ask the Governor

**AD Taijeron:** I've already prepared the letter, I am working on the letter to the Governor as I mentioned, I've been in communication with the Governor's team and I believe that

**Acting chair A. Bordallo:** and the logic behind it is FEMA money and its disaster related and these people suffered damages from the typhoon, we should get that money to guaranty the loans and it can be on reserved, only touched when SBA calls on the loan that's all

**Commissioner Herrera:** disaster related, that's what you say

**AD Taijeron:** I've already had these discussions and I'm waiting on what can be

**Acting chair A. Bordallo:** it's just logical

**Commissioner Herrera:** that's one option right, the second option is

**Acting chair A. Bordallo:** plan A, plan B

**Commissioner Herrera:** what's plan B, to modify the lease

**Acting chair A. Bordallo:** if it can be done

**Commissioner Herrera:** really, we need 3 plans and we need a timeline like next week when we have our work meeting, we should have some response from the attorney general and the army of lawyers up at Adelup also can help pitch in

**AD Taijeron:** they are and we're going to get a response soon. May I offer the commissioners as I mentioned like changing the law, I feel maybe the law is there to protect the cltc. Will the commissioners consider as we move forward, part of the policy is to limit the number or amount of loan guarantees, first determine what is reasonable, the commissioners need to determine what is reasonable to have, how much to have in the loan guarantee. With that being said is limit the number of guarantees until the

outstanding is decreased, if we have a 10.4 million dollars and we guarantee 30% of that, almost 4 million, we limit at 10.4 and that continues to decrease another loan guarantee loan requests comes in, the commissioners are able to address it because that outstanding amount has decreased and we have enough in our loan guaranty fund to address it. The issue of course is and a concern to the commissioners if the loan guaranty request continues to come in and exceeds the 30% you would not be able to approve it

**Acting chair A. Bordallo:** It's the same reason why FEMA says where open for business and closed for business so, we can limit or guaranty

**AD Taijeron:** I'm just throwing it out for the commissioners to discuss

**Commissioner Garrido:** I think that's the basic principle that Guam Housing runs on and also, they only have X amount of dollars every year for them to appropriate loans to and as it's replenished, they stock pile into the next year and that when they process additional loans

**AD Taijeron:** or they borrow

**Commissioner Garrido:** I can see that working with Guam Housing because there a lending institution but we're not, we're not a lending institution and I go back what our chair person said initially earlier about we own the land and if they default, we own the structure we can sell it

**AD Taijeron:** there are remedies in the law, we should a list of qualified individuals, there's a few remedies in the law that does that, that sentence that says in no event

**Acting chair A. Bordallo:** just like you have a condominium it's all built in one lot and it's all sold out and when someone defaults, the bank takes it and he sell it

**Commissioner Garrido:** it's just the 4 walls the ceiling and the floors

**Acting chair A. Bordallo:** it's not the land

**Commissioner Garrido:** that is classified as a portfolio room, couldn't SBA issue a portfolio loan to these disaster people not only for them but for the future also because they don't own the land, these are just ideas we're throwing out our immediate concern is to try to rescue these people that are out because of the typhoon

**Commissioner Herrera:** back to the language attorney Finney it said assured so question for us, how much aggregate amount do we have already

**Attorney Finney:** we know that

**AD Taijeron:** 10.4 in outstanding in loan guarantees

**Commissioner Herrera:** that's the aggregate amount that we have

**AD Taijeron:** and that's not including, that we've issued 10.4

**Commissioner Herrera:** including the 3.7 that we have on the 20

**AD Taijeron:** no, the 3.4 million has not been guaranteed

**Commissioner Herrera:** but we're computing it that will be part if we do

**AD Taijeron:** if you move forward to guaranty those loans, 10.4 million that's 14.4 million

**Commissioner Herrera:** 3.77 or 4 plus the 10

**AD Taijeron:** 10.4

**Commissioner Herrera:** 10.8, we're saying that will be the aggregate amount assured, agreed, yes

**Joey Cruz, cltc:** I'm sorry

**AD Taijeron:** it's the outstanding plus the current request

**Commissioner Herrera:** as the aggregate amount assured, then the next sentence is the commission exceed the ability of the loan guarantee fund is less than 3 million unless we raise the taxes for the land tax

**AD Taijeron:** yes, when we get the appropriations, it will be 1.8 or 1.9 maybe

**Commissioner Herrera:** so, we'll modify this language, attorney, have delete or repeal or amend the language to accommodate the 11 million, how would we language this

**Attorney Finney:** again, I can't, I can't answer you now but I also just don't think I would be able to advise you to remove this language then the land trust could be just guarantying loans without any kind of limit

**Commissioner Herrera:** we're just doing this in good faith that's the whole intent

**Attorney Finney:** right, if you don't have the funds available then how

**Commissioner Garrido:** who determines what the loan or funds should be or unfunded liability or is it

**Attorney Finney:** you mean who determines the amount of the fund

**Commissioner Garrido:** like he was saying if it's 14 million dollars who determine what our loan guaranty fund should be

**Attorney Finney:** what's your limit?

**Commissioner Garrido:** who would determine that?

**AD Taijeron:** who should determine what will be paid back

**Commissioner Garrido:** instead of paying dollar for dollar, who would determine that

**Attorney Finney:** you guys will determine that

**Commissioner Garrido:** we should determine at 10%, then we're covered by the law

**Attorney Finney:** if that's reasonable

**Commissioner Herrera:** let me ask, the pink column, how would you approach this? I'm crossed not to crash, on the reasonable amount we have 14, who said 14

**Joey Cruz, cltc:** I kind of mentioned 30%

**Commissioner Herrera:** from 20 to 30 right

**Attorney Finney:** I was just going to say you mentioned that there's almost a 20% default rate it that was it is

**AD Taijeron:** from SBA, it's like 18.4

**Commissioner Herrera:** that's from the 19 that have on the red line

**AD Taijeron:** all the SBA, if you take all the SBA loan guarantees then the number of defaults divided by the numbers that didn't default so that give us 18.4% just round it to 20%

**Commissioner Herrera:** we're using 30 as our cap

**AD Taijeron:** there's a little bit of a cushion at 30%, also considering Guam Housing there's a zero default with Guam Housing trying to get people in place or just looking at SBA

**Attorney Finney:** are all the other loans current?

**AD Taijeron:** as far as we know, yes, we did reach out to Guam Housing and SBA we haven't been provided all the information we have is as of August 2023

**Attorney Finney:** and the current, so aside from that list that you have already provided the rest of them are all current

**AD Taijeron:** yes, as far as we know but we did reach out to the two agencies and asked for an update

**Commissioner Herrera:** ok, we have a plan B madam chair. Tomorrow morning you can give us your answer

**Attorney Finney:** my answer to what?

**Commissioner Herrera:** to plan A and plan B

**Attorney Finney:** I'm not sure, can you rephrase the question, I'm not sure I understand what you're asking me

**Acting chair A. Bordallo:** the FEMA money of 103 million we asked the Governor to give us the amount to guaranty the loans for the typhoon victims

**Commissioner Herrera:** only for the typhoon which is 3.7

**Attorney Finney:** so, that's not a question directed to me

**Commissioner Herrera:** also, oh ok

**AD Tajeron:** plan A is we're requesting from the Governor funds to cover the loan guarantees that are currently being requested for typhoon Mawar

**Commissioner Herrera:** which is 3.4 for now and it may increase

**Acting chair A. Bordallo:** again, there's a limit too, how many people we can accommodate

**Commissioner Garrido:** if they haven't applied yet then they didn't have total destruction like the ones that have applied

**AD Tajeron:** and that's plan A, and plan B is with legal counsel

**Attorney Finney:** what's the question

**Commissioner Herrera:** to amend the language to accommodate and again with good intention to remove the barrier not to completely remove the safety mechanism but to language a fail safe that is within our financial capacity

**Attorney Finney:** I'm not sure I understand what you mean, when I see this language here this is you're a stop you can guarantee loans until you can't reasonably provide security

**Commissioner Herrera:** from the aggregate amount

**Attorney Finney:** Right so, again, I don't see how I can recommend to remove that language

**Commissioner Herrera:** maybe not totally remove it but insert that 20% cushion the director mentioned at 20 to 30% based on the

**Attorney Finney:** why would you want to do that? Right now, you can determine what's reasonable using the data that you let me have, if you had a 50% default, they might be a different amount that was reasonable, you had a 1% default rate that amount might be reasonable

**Commissioner Herrera:** can we language that to be reasonable

**Attorney Finney:** I don't think you want to change this language then you will lose that flexibility

**Commissioner Herrera:** the variable

**Attorney Finney:** because now you can look at the overall circumstances to make a determination of what's reasonable and if you took that away then you put something in there that gave you a hard number, hard percentage then you won't have any flexibility and at some point, what's reasonable right now might not be reasonable anymore

**Commissioner Herrera:** I think it's reasonable for us to provide a loan guaranty to any constituents in good faith again. Ok, let's take a recess for tomorrow morning or next week

**Acting chair A. Bordallo:** usually, it has to be published on recess right

**Commissioner Garrido:** do we have to publish on recess

**AD Taijeron:** we can publish it, we can put it out in the paper but I don't know if there's a requirement, I will be off island for the next two weeks due to a family medical emergency, legal counsel will be here

**Commissioner Herrera:** how did we do our last recess

**AD Taijeron:** we just put it out and then we put it out in the notices that the meeting was recessed until a certain time

**Commissioner Herrera:** one week and 2 days apply

**AD Taijeron:** no

**Attorney Finney:** you not here

**Commissioner Garrido:** we're not going into a regular board meeting we're going to recess

**Attorney Finney:** you are to continue this same meeting

**Commissioner Herrera:** you don't think a couple of days to think it over

**Attorney Finney:** decide when you're going to reconvene and post it on the door and also put a notice out

**AD Taijeron:** we're not require the 10 days or the 2 days what we need to do is the commissioners need to determine when we're going to, we're going to recess a certain date and time, we publish it out there and for safe guard we publish it on the public notice announcements and we put it out

**Commissioner Herrera:** the newspaper

**AD Taijeron:** on the last one we did

**Commissioner Hererra:** oh, we did, ok

**AD Taijeron:** we did

**Commissioner Garrido:** but, are we required

**Acting chair A. Bordallo:** we are required

**AD Taijeron:** yes, we're required to publish it but we don't have to put it in the 2 days, you can recess until Monday and we'll call the Post put out the ad and recess until Monday and all the other places as well

**Commissioner Garrido:** and you're going where?

**AD Taijeron:** I have a family medical emergency

**Commissioner Garrido:** do you know how long?

**AD Taijeron:** I'll be gone for two weeks, minimum two weeks

**Commissioner Herrera:** we'll recess today and come back

**Commissioner Garrido:** we'll assume then that Mr. Cruz is going to be your substitute

**AD Taijeron:** Joey will be acting

**Commissioner Herrera:** he can sign

**AD Taijeron:** he can sign certain documents, yes

**Commissioner Herrera:** ok

**Commissioner Garrido:** Monday or Tuesday

**Acting chair A. Bordallo:** Monday is hard on these guys. How's the attorney

**Commissioner Garrido:** let me check my schedule before I check her schedule

**Commissioner Herrera:** you're not a lawyer

**Commissioner Garrido:** I'm a commissioner, where are my glasses, it's been a long day. I'm open for Monday or Tuesday

**Attorney Finney:** what time are you looking at? I will not be available on Tuesday morning

**Commissioner Garrido:** we can do it in the afternoon

**Attorney Finney:** I could be available

**Commissioner Herrera:** like 1pm, same time ok

**Acting chair A. Bordallo:** make it 2 o'clock

**Commissioner Garrido:** ok

**Acting chair A. Bordallo:** you know you're always rushing during lunch.

**Commissioner Garrido:** we can make it a lunch meeting

**Acting chair A. Bordallo:** unless they pay our lunch

**AD Taijeron:** we're not allowed to

**Acting chair A. Bordallo:** I know, we're not autonomous

**AD Taijeron:** the commissioners are going to have to call it just so that you have a date, you're going to recess this meeting until Tuesday, September 26, on moment, we need to check with PBS.

**John, PBS:** we're full all next week, we're full with the academic challenge bowl. What's it for, the 26<sup>th</sup>

**AD Taijeron:** yes, Tuesday, 2pm

**John, PBS:** we're full but I mean

**AD Taijeron:** can we get your commitment

**Dex, cltc:** I have their email already, I have to call PBS the schedule

**AD Taijeron:** let me call right now to see if we can confirm, is Ina on island? PBS will be here 2pm on Tuesday

**Commissioner Garrido:** 2pm

**AD Taijeron:** she has to call the recess, you need to motion

**Acting chair A. Bordallo:** the 26<sup>th</sup>

**AD Taijeron:** Tuesday, the 26<sup>th</sup> at 2pm

**Acting chair A. Bordallo:** we need a motion to on recess

**Commissioner Garrido:** I move to recess until Tuesday, the 26<sup>th</sup> at 2pm

**Commissioner Herrera:** I second the motion

**Acting chair A. Bordallo:** all in favor say aye

**Commissioner Herrera:** aye

**Commissioner Garrido:** aye

**Acting chair A. Bordallo:** Thank you

**\*\*\*\*\*RECESS TO TUESDAY, SEPTEMBER 26<sup>TH</sup> AT 2PM \*\*\*\*\***





# *Kumision Inangokkon Tano' CHamoru* *(CHamoru Land Trust Commission)*

P.O. Box 2950 Hagåtña, Guåhan 96932

Phone: 671-300-3296 Fax: 671-300-3319

## **CLTC BOARD OF COMMISSIONERS MEETING**

CLTC Conference Room

Suite 223, ITC Building, Tamuning, Guam

**Tuesday, September 26, 2023 at 2:00PM**

*Lourdes A. Leon Guerrero*  
Governor

*Joshua F. Tenorio*  
Lieutenant Governor

### **Commission Members**

*Arlene P. Bordallo*  
Acting Chairperson

*David B. Herrera*  
Commissioner

*Earl J. Garrido*  
Commissioner

*(Vacant)*  
Commissioner

*Alice Taijeron*  
Administrative Director

Public Notice: *The Guam Daily Post* on September 14<sup>th</sup> and September 19, 2023 Government of Guam Public Notice Portal, CLTC's Facebook Page, and on CLTC's website at <https://dlim.guam.gov/chamoru-land-trust-commission/>

**Acting chair A. Bordallo:** I call this meeting to order, today's date is Tuesday, September 26, 2023. This is the CHamoru land trust board meeting and is a continuation of our Thursday, September 21, 2023. A public notice was done with the Guam Daily Post on September 14, 2023 and September 19, 2023 but we also had a publication with the continuation of this meeting. It was published on the Guam Daily Post Monday September 25, 2023. Commissioners present, Mr. Earl Garrido

**Commissioner Garrido:** here

**Acting chair A. Bordallo:** Commissioner David Herrera

**Commissioner Herrera:** Guigi yu

**Acting chair A. Bordallo:** Attorney Kristin Finney

**Attorney Finney:** Here

**Acting chair A. Bordallo:** Substitute Mr. Joey Taitano Cruz

**Joey Cruz, CLTC:** Here

**Acting chair A. Bordallo:** ok, Mr. Cruz can you give us, we'll going to start agenda number 9 and it has legal counsel it's discussion and action. First item is the

**Attorney Finney:** I don't have anything to report, I thought we we're continuing the discussion on the loan guarantees, I thought that was the meeting

**Acting chair A. Bordallo:** ok, do you have something to report on the loan guarantees if there's any questions

**Joey Cruz, CLTC:** madam chair if I may, we provided a copy of administrative director Alice Taijeron letter sent to the Governor dated September 22, 2023, you should have a copy of that letter, she is also in consistence communication with Adelup in regards to the funds in this letter

**Acting chair A. Bordallo:** Ok, you want to go ahead and read it

**Joey Cruz, CLTC:** read the letter

Rev. 08/14/2023

**Acting chair A. Bordallo:** yes

**Joey Cruz, CLTC:** “Hafa Adai Governor Leon Guerrero, I am writing to request your support for the CHamoru Land Trust ‘s (CLTC’s) efforts to provide loan guarantees for the twenty (20) CLTC families seeking Small Business Administration (SBA) loans and an additional applicant seeking a Guam Housing Corporation (GHC) loan in the wake of Typhoon Mawar. While the GHC has indicated an interest in exploring further avenues for the affected applicant that do not require loan guarantees, unfortunately, the SBA has indicated that it is unable to approve the loans without the guarantee.

Guam law authorizes the CLTC to provide guarantees to assure the repayment of loans from local or Federal governmental agencies subject to certain conditions. The law provides however that the aggregate amount assured by the CLTC shall not exceed the ability of the CHamoru Loan Guarantee Fund (CLGF) to reasonably provide security for the loans authorized.

While the law does not define the amount that would be sufficient to reasonably provide security for the loans authorized, data indicates that the default rate for SBA loans is less than twenty percent (20%). We have requested data from the GHC regarding the default rate on guaranteed loans, which remains pending. However, given the similar financial status of applicants for both programs, we believe it is appropriate to expect a similar default rate for GHC loans.

While the CLGF balance reflects a higher value because it includes restricted funds and pending revenues due from the General Fund since 2018, at present time, the CLGF contains \$379,588.72 in cash, and is expected to receive an additional \$1.3m in the upcoming budget year, for a total of 1.6M. Outstanding CLTC guarantees total approximately \$10.4M for prior SBA and GHC loans. I do not believe that existing CLGF funds are sufficient to support further guarantees, given the known default rate. The state of Hawaii, for example, holds reserves in its guarantee fund that equals approximately 50% of the value of the loans.

I understand the legislature has authorized the use of typhoon Mawar relief funds to support a variety of relief efforts, including housing and safety. Given our island’s well documented housing shortage and the financial vulnerability of CLTC leaseholders. I believe that dedicating typhoon relief funds to provide security for CLTC loans will afford affected CLTC families stability, safety, and peace of mind.

To this end, I request your support for our CLTC families seeking SBA and GHC loans. Specifically, I request that relief funds in the amount of Four Million dollars (\$4,000,000) be allocated to the CLGF for the purpose of bringing the fund into compliance with Guam law and empowering our people to take advantage of the SBA and GHC loans provided to assist residents affected by the typhoon. This infusion will bring our CLGF reserves to nearly 40% of the combined value of existing loans and the pending applications with the SBA and GHC as a result of typhoon Mawar. While I have made additional requests and inquiries of both SBA and GHC for the purpose of structuring alternatives to the required guarantee, our CLTC families need help immediately, and providing the necessary guarantees is the most expeditious solution to the issue.

We understand the current funding challenges, and appreciate your helping us return these families to safe and livable homes.

Please do not hesitate to contact me with any questions or concerns, Respectfully,  
Alice Tajjeron, administrative director

**Acting chair A. Bordallo:** any comments

**Commissioner Garrido:** it a good letter head, wished it came out sooner than it did but it's a move in the right direction

**Acting chair A. Bordallo:** Well, we suggested director Taijeron to ask for the funds and that in order to accommodate the Mawar and using the funds of Mawar

**Commissioner Herrera:** based on the letter, we'll just go through what we just read and we'll start at the 40% on the last page and we'll go backwards. On the last paragraph it was mentioning that the director requesting the refund of 4 million dollars, we can anticipate, we might be getting 4 million, we might be getting no million, would that be a fair statement madam chair

**Acting chair A. Bordallo:** it's all up to you, what the Governor has to say and this letter should be forwarded to the legislature

**Commissioner Herrera:** if we keep going backwards

**Acting chair A. Bordallo:** we're trying to go forward

**Commissioner Herrera:** I understand, I'm just trying to get the numbers so, as we go backwards, it was saying the total money for the loan guaranty fund of 379, 000 would that be a confirmed number

**Joey Cruz, CLTC:** actual cash

**Commissioner Herrera:** actual cash in the bank, that's about .3 million and then when we move forward in the next sentence on the upcoming budget year, we requested for about 1 million and that was approved on the budget bill, ok 1.6. we add the 1.6 and the 3, say 2 million

**Joey Cruz, CLTC:** I think if you add the 1.3 and 379 it comes out to 1.6

**Commissioner Herrera:** 1.6 we can anticipate we have 1.6 and be proactive and Optimus we do have 4 million we just of 50% or the 4 it'll be 2 million and we add the 2 mil with the 1.6 that will be 3.6 mil I like to bring our attention to page 23-chapter 75a we can go there, 75a page 23. This is the stumbling block, page 23.

**Commissioner Garrido:** 21 GCA

**Commissioner Herrera:** page 23, then also page 28

**Acting chair A. Bordallo:** can we start with 23

**Commissioner Herrera:** so, we go to page 23 the last sentence, that's the stumbling block that we've been discussing last week for the last several months. Read that director

**Joey Cruz, CLTC:** in no event shall the aggregate amount assured by the commission exceed the ability of the CHamoru guaranty fund to reasonably provide security for the loans authorized

**Commissioner Herrera:** ok, that's the dilemma that we've been facing at no event the aggregate amount, the question is what is the aggregate amount that we have now, the loans that have been approved, it's about 10.4, yes 10.4 million

**Acting chair A. Bordallo:** that's already finished right

**Commissioner Herrera:** and it's still in process the one we were

**Commissioner Garrido:** that's existing

**Commissioner Herrera:** yes

**Acting chair A. Bordallo:** and we need more

**Commissioner Herrera:** and we have the new 20, the 20 SBA applicants that's here, on that 20

**Acting chair A. Bordallo:** what's your total

**Commissioner Herrera:** Joey on that 20, it's 1.4 aggregate, I don't have the total madam

**Joey Cruz, CLTC:** the total amount is 4.3 million but that's inclusive of other expenses, the real restate repair replacement bond is 3.3 million

**Commissioner Herrera:** just the real estate, we got 3.3 aggregate and we got the 10.4 we got total of 13, that's what we were asking last time that we have 12.8

**Acting chair A. Bordallo:** if you add it up it's 13.7

**Commissioner Herrera:** round it up to 13, we'll round it up to 14 million, what we have on hand would be 1.6 projected for would be 5 mil

**Joey Cruz, CLTC:** 5.6

**Commissioner Herrera:** 5.6, we'll take that ratio of 5.6 and the aggregate of 13

**Acting chair A. Bordallo:** where did you get the 5.6

**Joey Cruz, CLTC:** 1.6 and the 4 million

**Commissioner Herrera:** right, the 1.6 and the 4. We go back to the language on page 23 and this language needs to be parched out or have this amended, modified or appealed in order for us to use what we have now and use the formula of 25% because 5.6 and 15 percent aggregate

**Joey Cruz, CLTC:** if you include the projected or anticipated increase of 3.3, the 5.6 is 40% of the 14 million dollars

**Commissioner Herrera:** This is what I was, would like to have madam chair, this is what SBA is going to say, you have 14 million dollars aggregate that you owe which is unfunded, safe to say but you have 5.6 million or 6 million which is 40% then if we go to page 38 on Chapter 75. Subsection 75 8115, and can you read that Mr. director 75, this is the one that's going to cover over the 40% we got cash on hand and we'll use this for collateral

**Joey Cruz, CLTC:** 75a 115 ejectment when lessee for improvements, in case the lessee or borrower or the successor to his interest to the tract as the case fails to comply with any order issued by the commission under the provision of subsection 75a 110 or subsection 75a 114 of this chapter, the commission may actions of ejectment or other appropriate proceeding or the enforcement of, any tract forfeited under the provisions of subsections 75 110 or subsection 75 114 of this chapter may be again leased by the commission authorized by provisions of the subsections 75a 107 of this chapter except the value on the opinion of the commission of all improvements made in respect of such tract by the original lessee or any successor of his interest therein shall constitute a loan by the commission to the new lessee, such loan shall be subject to the provision of this section subsection 75a 113 and 75a 114 to the same extent as loans made by the commission from the beneficiary home loan fund

**Commissioner Herrera:** Amen, this is the new beneficiaries that are the 20, in the event that of course, you see that foreclosure letter from SBA, this is what happens when there's a default and this is the one we had an issue in the event we have a problem with one of the successors that are not able to comply with the requirement then we're going to the default process, the backup here is that the 20 we have and we're anticipating not all 20 would file a foreclosure maybe one month or one year, we have approximately 6 million on hand that can cover any interim foreclosure if they we're such a foreclosure for the construction of this for the new homes or the old homes, right now we have 19 homes that have been in the red, we can say we have 19 homes in the prior contracts with SBA, my respectful request madam chair we want to create a fail safe mechanism to provide a loan guaranty using this kind of formula, the 25%, 75%, 25% cash, 75% section 75a 115 using the ejectment criteria and in parallel using the 3,000 lessees that we have that are already on properties and the additional 8,000 applicants that are in line to get CHamoru land trust leases. Out of the 8,000 where most likely and this is where we need to do an accelerated fast track movement to start getting the process going from the first come first serve from number 6, number 7, number 8 to start getting the data of those families that may be able to have the income and debt ratio that can take over loans in the event we get into a foreclosure procedure with SBA. My motion here is for us the CHamoru land trust commission is to develop a mechanism that is fail safe from any bankruptcy from any of the constituents now and for those that have had leases since 2005 timeline, that being said we need to proffer language to request the whoever wants to take this language and pars it out and include the 40% formula or we can say 25% to be more going to say ratio, 25% cash is about 5 million and 75% on the ejectment criteria using that 3,000 lessees and the 8,000 applicants that are lining up getting ready to update properties or lease properties from the land trusts. Do we have an ample amount of constituents that may be able to take over a loan for example from constituent number 1 that has a loan payment of 240k and the monthly payment on the 240 is approximately 900 to 1,000. My projection from that one is once we start gathering the data from the 3,000 current applicants that are on the property and the 8,000 that are in line to get the loan, my request madam is to approve the issuance of the loan guaranty in conjunction to having a safety formula within the house and in addition to having the legislature buffer a bill to amend the language in relation to the internal fail-safe mechanism that we're going to develop

**Acting chair A. Bordallo:** first, that list, you have to total this and let us know how much

**Commissioner Herrera:** ok, we can that this week, just this part

**Acting chair A. Bordallo:** Mr Taitano, do you

**Attorney Finney:** can you clarify because the status of this letter is just a request there's no response to that, you might be getting a little bit ahead

**Commissioner Herrera:** Understand, what we're going to do is trifurcate the approach here, we're approaching it on a 3-legged approach. One is using the existing 3.3 mil we're not including the 4 million that's been requested, we can say 3

**Joey Cruz, CLTC:** just for real estate

**Commissioner Herrera:** that's the real funds that's going to be here, that 1.6 coming from the budget bill

**Joey Cruz, CLTC:** the 1.3

**Commissioner Herrera:** and the 300k that's here in the pocket now

**Attorney Finney:** that's only 1.6

**Commissioner Herrera:** yes, 1.6 out of the 10 mil. what's the percentage, we'll ask the comptroller. We can use that as a ceiling

**Acting chair A. Bordallo:** looking at this letter that you presented, this is a 2014

**Commissioner Herrera:** that's SBA

**Acting chair A. Bordallo:** yes, is this one of our.....

**Commissioner Herrera:** that came from here from one of our files

**Acting chair A. Bordallo:** so, what's the outcome of this one

**Joey Cruz, CLTC:** unfortunately, we we're going through lessees with loan guarantees, this letter, this is the first time I saw this letter, to my knowledge we have not paid

**Acting chair A. Bordallo:** this particular

**Joey Cruz, CLTC:** not paid yet

**Acting chair A. Bordallo:** what happened to the person that is, are they still on CHamoru land trust

**Commissioner Herrera:** are they still occupying the home

**Joey Cruz, CLTC:** my recollection is the CHamoru land trust commission has not evicted anybody, I'm going to say, that person is still occupying but we are putting together a schedule to do a site visit to all loan guarantee lease to determine whether if they're occupying or utilizing it instead of domicile

**Acting chair A. Bordallo:** talk first to Joey about the one who actually defaulted, first to find out and that's the list, the 20, I don't have my files with me, sorry. The ones that defaulted

**Commissioner Herrera:** I have this one

**Acting chair A. Bordallo:** in the history of CHamoru land trust, we never foreclosed

**Joey Cruz, CLTC:** we paid off one loan which was 67,000

**Acting chair A. Bordallo:** what year was that?

**Joey Cruz, CLTC:** I'm not too sure but we can get that for you, it showed the amount paid, that individual is highlighted in yellow

**Acting chair A. Bordallo:** this one is paid by CHamoru land trust

**Joey Cruz, CLTC:** the yellow, the one green is what we're aware that filed bankruptcy, like I mentioned in the previous meeting we're working on getting the listing for the last 10 years so we can figure out. There are 19 highlighted in red

**Commissioner Herrera:** highlighted in red and that's about 1.

**Joey Cruz, CLTC:** 1.1

**Commissioner Herrera:** 1.1 aggregate

**Joey Cruz, CLTC:** please note that 1.1 is just the principal it doesn't account for penalties and other stuff

**Acting chair A. Bordallo:** that's how much that's defaulted

**Commissioner Herrera:** in the red, yes. The ones on the white is unfunded liability and that's the formula, the whole intent here is if we proffer this and they language to build to allow us to have that ratio the 20% then and we devise the mechanism in house in the event constituent number 1 that owes 220 and pays 900 a month, starts getting into the default process then 1.6 mil that we have can paying the monthly payment interim that we're getting the next applicant that may want to assume that loan so we don't lose that momentum and SBA will not lose the client because we got 8,000 waiting in line wanting to get a property but if you have a property that already has a home at 2% and you have a client that wants to assume that loan at 2% for 30 years, most likely a client that would assume that loan. Number 2, the successorship on the requirement on what section is successorship, 105 or 109 75 109 successorship, 2.3 mil

**Acting chair A. Bordallo:** that's the 20 applicants

**Commissioner Herrera:** yes, that's another question the successorship

**Joey Cruz, CLTC:** what has happened in the past is that when the lessee been awarded a loan guaranty or has a current mortgage and the board would allow the takeover of the successor, we inform whatever financial institution of the action and the successor, new lessee would assume the loan and that's how that would in regards the lessee passing and a successor takes over the lease

**Acting chair A. Bordallo:** when you say successor that's the lessee's successor

**Joey Cruz, CLTC:** named beneficiary

**Acting chair A. Bordallo:** that's where CHamoru land trust has to have the successor as the homemaker when they get apply for SBA loans

**Commissioner Herrera:** from the beginning

**Acting chair A. Bordallo:** from the beginning

**Commissioner Herrera:** ok, that would be one that will be proffered into the bill

**Acting chair A. Bordallo:** one of the conditions, or the loan

**Joey Cruz, CLTC:** madam chair, on thing to consider, the lessee can come in at any time and change the successor, from the get go the lessee should act as a co-signer does not mean the lessee can change his named beneficiary to someone else

**Acting chair A. Bordallo:** that's where there's certain conditions, they obligated when they assume the loan or they become a successor

**Commissioner Herrera:** that language will be included in the proffering of the particular language. That one option, two option, three

**Acting chair A. Bordallo:** it's not an option, it's a must.

**Commissioner Herrera:** your right, it's a requirement at the same time we're addressing the 20

**Acting chair A. Bordallo:** and this whole thing with SBA asking us to guarantee the loan, I think they should be a limit as to how much money we can assume the responsibility. Just like the bank, the bank limits how much there going to lend out, it's not like forever open, look happen to Ms. Gagan application. She was applying for a building permit; does she have a home right now in that property

**Commissioner Herrera:** there's a home, you're talking about that lady that

**Commissioner Garrido:** Crawford

**Acting chair A. Bordallo:** she's not living there

**Commissioner Herrera:** no

**Acting chair A. Bordallo:** because she needs to apply for a building permit

**Commissioner Herrera:** it's a shack or something

**Joey Cruz, CLTC:** currently we're doing the Adacao project, Ms. Gagan, her structure if that's her living quarters has tipped over due to typhoon Mawar, we recently we passed there, there's activity of her appearing

**Commissioner Herrera:** ok, so those again will be included

**Acting chair A. Bordallo:** that's was her living home

**Joey Cruz, CLTC:** if she's staying there, I can't say but there is a structure that is her living quarters

**Commissioner Herrera:** the SBA would have vetted that candidate



**Joey Cruz, CLTC:** her eligibility

**Commissioner Herrera:** of course, small business administration the FEMA people would have come and maybe the constituents can testify on that, first they'll have FEMA come and assess and if you want to strengthen your structure then you can apply for SBA, then SBA again will vet your income and verify if you able to get approved for a loan and if your able to pay

**Acting chair A. Bordallo:** the only reason why I brought it up because she was asking to get a building permit, the question is would SBA require her for us to be the guarantor if she hasn't even built, in other words

**Commissioner Herrera:** guarantor for the loan

**Acting chair A. Bordallo:** for the loan

**Commissioner Herrera:** not for the building

**Acting chair A. Bordallo:** no, the idea is there wasn't a house that she was staying in and typhoon comes, SBA comes to give help, then she never built.

**Commissioner Herrera:** they qualify her, once it's qualified then these individuals would have to go

**Acting chair A. Bordallo:** then they would come

**Commissioner Herrera:** that's my motion to get the loan guaranty process moving forward with the 2 prong or 3 prong approach simultaneously and once we get the language we want done, I think there's going to be a hearing on Friday relative to this one or related to this, that's my motion

**Acting chair A. Bordallo:** I need us, legal counsel and the administrator to see if that is all the regulations and everything

**Commissioner Garrido:** I like us to search something just for clarification, a grantor or beneficiary is going to guaranty the loan, how many times does the beneficiary

**Joey Cruz, CLTC:** 100%

**Commissioner Garrido:** is it viable to have a beneficiary guaranty the loan when the person is not of legal age

**Acting chair A. Bordallo:** cannot

**Commissioner Garrido:** so, that puts us right back CLTC lot inventory, I think we should focus what is reasonable for us to guarantee and it would be nice to get a beneficiary to co-sign on the loan then if that person is not of age, then It's invalid

**Commissioner Herrera:** SBA will have that requirement

**Commissioner Garrido:** but, we don't. CLTC don't in appointing a beneficiary

**Commissioner Herrera:** we'll go back to 115, I was very specific, the ejection criteria if you go to 115, it was clearly mentioned, even if you read it out

**Acting chair A. Bordallo:** is there an age limit on the beneficiary in the law

**Commissioner Herrera:** 18

**Commissioner Garrido:** does it say 18

**Joey Cruz, CLTC:** yeah, applicant has to be included, the beneficiary does not have to

**Commissioner Herrera:** only the applicant

**Commissioner Garrido:** beneficiary doesn't have to be 18

**Joey Cruz, CLTC:** we have issued leases to a minor under the designation of guardian or legal custodian or something like that.

**Commissioner Herrera:** take for example number 6, you have the grandchild and number 6, we wanted to see who this grandchild is back in 1995 and today it's 2023 and if the child is only 1 month or 1 year, the grandchild today would be 15 years old from 95 to present

**Acting chair A. Bordallo:** they'll be 29

**Commissioner Herrera:** correct, I'm just checking the math

**Joey Cruz, CLTC:** contractually I don't think the minor can assume any loan. Like commissioner Garrido had mentioned. (Mr. Cruz talking without permission to come forward to speak through public comment just yet) just for formality purposes if the chair woman would allow if you come to the table and state your name just for the record

**Acting chair A. Bordallo:** we're under discussion Mr. Cruz if you don't mind holding your question

**Commissioner Herrera:** let's go ahead and continue, you were saying minor

**Commissioner Garrido:** as a beneficiary, and as a beneficiary being a minor if you're not entitled allowed by law to sign that's invalid

**Acting chair A. Bordallo:** that's invalid

**Commissioner Herrera:** ok, understand

**Commissioner Garrido:** the section that your citing is applied to

**Commissioner Herrera:** the lessee

**Commission Garrido:** yes

**Commissioner Herrera:** that's what we're trying but this now is the lessee

**Joey Cruz, CLTC:** the 7115 75a 115, the ejectment is relation to the home loan fund, the concern now is the beneficiary loan guarantee fund, there's a section in 75a that's spells out how to loan default, it specifically tells how in what order on how we should perform that task. It's on Page 32, it speaks very detailed on how to default the loan

**Commissioner Herrera:** Page 32, lower case H. where it says loan guarantee fund, that's another section of this 75a may be included in the proffering of this bill, again it really doesn't stop us and that's why I was requesting. Can we see SBA loan guarantee document just to see the language is

**Joey Cruz, CLTC:** we have the copy of the guarantee we give the lessees to guaranty their loan, it's a blank copy

**Commissioner Herrera:** is that what SBA is requesting we give them

**Joey Cruz, CLTC:** this is the guarantee we give all our lessees who come in to request a loan guarantee

**Commissioner Herrera:** so, this one goes to SBA

**Joey Cruz, CLTC:** SBA, Guam Housing

**Commissioner Herrera:** and this is acceptable

**Joey Cruz, CLTC:** yes

**Acting chair A. Bordallo:** same language as SBA, because this is Guam Housing

**Joey Cruz, CLTC:** I think just for the first couple of whereas is not the same but the terms and conditions are guarantee is the same

**Commissioner Herrera:** the acting director can validate this, that's is, no need the commission

**Joey Cruz, CLTC:** the commission still needs to approve the award of the guarantee

**Commissioner Herrera:** they don't have the signature here

**Joey Cruz, CLTC:** it's just through motions

**Commissioner Herrera:** ok, when we do the motions, this will be the document to proceed

**Joey Cruz, CLTC:** this will be executed

**Commissioner Herrera:** this one doesn't show dollar for dollar or 1 quarter or 3 quarter ratios of security just the guarantee. You see where we're headed with this one, even if we did the guarantee now, we're saying maybe we're page 23 to a point where we're not in compliance legal counsel.

**Attorney Finney:** if you were to approve the rest for the loan guaranty now without funding in the account

**Commissioner Herrera:** that will be a violation of this language

**Attorney Finney:** possibly

**Commissioner Garrido:** when you specify without the funding, what is the amount that has to be entrusted

**Commissioner Herrera:** that's the one we're asking the aggregate amount is missing

**Commissioner Garrido:** the way I read it is we determine what is reasonable and we say 30% is reasonable then that is what we go by

**Commissioner Herrera:** you're right on point

**Commissioner Garrido:** if we say 40% then that's what we go by

**Commissioner Herrera:** we want to proffer it so it'll be here in language so nobody has that shady gray line

**Commissioner Garrido:** different interpretation

**Commissioner Herrera:** so, we'll have the bill writers to be specific

**Joey Cruz, CLTC:** we're just discussing if the board should decide what the percentage of actual cash in the bank it should have to secure the loan that could be done through a motion, a vote and put into a resolution

**Commissioner Herrera:** it doesn't need legislation

**Joey Cruz, CLTC:** no, you can put that in

**Commissioner Garrido:** there's no direct verbiage it has to be 100% guarantee, it says reasonable

**Commissioner Herrera:** yes, that's the cushion we can say make a motion now and by that time we go through it today

**Commissioner Garrido:** you want to make a motion now but when the money is available, we can disburse the guarantee

**Commissioner Herrera:** I already made that motion earlier; I described it in

**Attorney Finney:** I'm not sure, what was the motion you made

**Commissioner Herrera:** to proceed to provide the loan guarantee to the constituents that are

**Attorney Finney:** that has to be subject to the availability of the loan

**Commissioner Herrera:** a condition, here's the logic on this counsel, we have in the books 4 million but we're only required to have half a million in the CHamoru loan home funds, or 500 thousand

**Joey Cruz, CLTC:** the 500 thousand was restricted to the MOU with Guam Housing and USDA with CHamoru land trust

**Commissioner Herrera:** at CHamoru land trust and that was the 2005 MOU

**Joey Cruz, CLTC:** I believe so

**Commissioner Herrera:** so, you see that 500 thousand right now, the Guam Housing we 3.7 million aggregate amount, 3.7 and it was only half a million

**Joey Cruz, CLTC:** I think Guam Housings role that MOU was to service the package, it was USDA that was providing the funds.

**Commissioner Herrera:** you see the scale is from half a mil, we've done this for the last 20 years and this is 3.7 mil and with SBA, half a mil we have 10.4 mil, I'm going to use this as a basis to make a motion to get this done based on the past precedence that was applied

**Attorney Finney:** what do you mean

**Commissioner Herrera:** this is the amount and we have only half a million and those are the numbers that the aggregate amount, is that SBA

**Attorney Finney:** that's the 10.4

**Commissioner Herrera:** 10.4 and remember it was only 500 thousand restricted funds for the

**Joey Cruz, CLTC:** USDA

**Commissioner Herrera:** the second one is Guam Housing

**Attorney Finney:** I was just looking at (inaudible)

**Commissioner Herrera:** you see how many issues are involved there, like 3 or 4. I don't want to get into the other lending institutions, do they require loan guarantee or it's just USDA and SBA

**Attorney Finney:** that's the list of everything that's guaranteed right

**Acting chair A. Bordallo:** I am just not sure about this whole thing; I would like to first get a feed back from our Governor as far as our request before we make a decision

**Commissioner Herrera:** on the 4 million

**Acting chair A. Bordallo:** Yeah, and the thing is if you're going to guarantee you need at least 50% of what you're reserving

**Commissioner Herrera:** based on our 75a

**Acting chair A. Bordallo:** Yes, what I came across

**Joey Cruz, CLTC:** because the law is not specific or detailed as to what the percentage or the amount of money should be in the back to guaranty the loan and the legal counsel can confirm, the board may want to consider determining what would be a reasonable amount. So, at least the first problem the whole process has already been address and if in the event the money should come and it's sufficient enough to provide guarantees while the guarantees are pending then at least the next process is to present and then approve if that's what the board should do, the board should determine now what would be the percentage of the total aggregate of loans the commission should have in the bank or cash readily available, at least that's one process that's addressed and resolved.

**Acting chair A. Bordallo:** and I was asking you the last time about the 10 million, how is that put in your financial statement

**Joey Cruz, CLTC:** as I mentioned, on the front level we don't report it, what we do make mention on the contingent liability of the potential exposure that it may have when a loan is demand pay, but given all the numbers discussed today and if everything come into fruition and the 4 million transfer from the Governor, the 1.6 and the 300 thousand that we do have readily available in the bank we would have 40% of the total aggregate amount that is already guaranteed. Like commissioner Garrido had mentioned about having a certain percentage or deciding on a certain percentage for example you guys may consider the minimum amount to have in the bank is 20% of the total aggregate, having 40% even if you already exceeded it, it's enough growth to

**Commissioner Herrera:** at 40

**Joey Cruz, CLTC:** if the 5.6 comes

**Acting chair A. Bordallo:** if

**Joey Cruz, CLTC:** it's not leaning to having the board approve loan guarantees today but determining what is the percentage what is the total aggregate that we should have in the bank to continue to guarantee loans. Like how administrative director Tajeron had mentioned last meeting it could be 20% if the board decides it could be 30%

**Commissioner Herrera:** right now, the 19 red line of the total is about 19% or 18 default

**Joey Cruz, CLTC:** 18.4

**Commissioner Herrera:** we'll round it off and we'll say 20, our ceiling will be 20 if we're going to use this as the

**Joey Cruz, CLTC:** that's up to you guys to decide

**Commissioner Garrido:** my position on this is the outstanding is 12 million and at the end of the day with Mawar, not all 12 million will default this year based on the history is 10%, 12% that are in default and as far as foreclosures it's even lower

**Acting chair A. Bordallo:** 18%

**Commissioner Garrido:** that's why I go back to reasonable if we run the numbers correctly, it's at our discretion that we decide what is reasonable, but I do see very, very dire need for us to resolve currently what's on the table and right now we're getting it intermingled, my first concern will be the Mawar victims to see if we can resolve their issues first and foremost and then we can fine tune everything following that, I mean it's a unfunded liability and we need to address it but right now to me the most pressing concerns is Mawar. I did have a short conversation with the Governor last Saturday, I met her in an event and she had brought this to my attention, she assured me that she will be willing to give us some money, I'm not going to say how much money, I'm was not aware of this letter

**Acting chair A. Bordallo:** what's the total on the 20

**Commissioner Herrera:** 20%

**Acting chair A. Bordallo:** no, the 20 customers

**Commissioner Herrera:** 2.3 million

**Acting chair A. Bordallo:** 2.3

**Commissioner Herrera:** and we have 1.6 on hand

**Commissioner Garrido:** going back to what I was saying, she assured me that she was going to give money to CHamoru land trust to address this unfunded liability but with that same conversation she goes, we need to go before the legislature to ask for additional funding for the loan guaranty

**Acting chair A. Bordallo:** that's right

**Commissioner Herrera:** if it requires a one-to-one, so far, we haven't seen anything that requires the reasonableness of one-to-one

**Acting chair A. Bordallo:** But, Mr. Herrera, we haven't even gone out to check our customers that have defaulted and how much we have to pay SBA

**Commissioner Herrera:** just for the record madam chair I like

**Acting chair A. Bordallo:** have you found out

**Commissioner Herrera:** I volunteered to Ms. Taijeron to give me a vehicle with a sign of CHamoru land trust and I will volunteer to check the 19 just to get the assessment if the properties are still there, if their occupying or abandoned, that's 19 and the question is have we gone out, maybe our administrative director may address that

**Joey Cruz, CLTC:** we have done that

**Commissioner Herrera:** or it's in the planning and your point on that madam chair is we may be able to revive those that are in that condition

**Acting chair A. Bordallo:** let me ask you first, the 1.3 is that the 1 million the legislature gave us recently

**Joey Cruz, CLTC:** and the 300 some thousand is the return of what was transferred out

**Acting chair A. Bordallo:** what about the reserve in the CHamoru land trust, you have a reserve account that we don't spend

**Joey Cruz, CLTC:** that's the restricted 500 thousand dollars that was restricted due to an MOU with USDA and CAHA

**Acting chair A. Bordallo:** we have customers with USDA

**Joey Cruz, CLTC:** we don't

**Acting chair A. Bordallo:** we don't, we can use it right

**Joey Cruz, CLTC:** not according to the MOU, if you do, you have to replenish. It's not advisable that you use the money because we don't the money to repay, I need to go back to read it but I believe if it's not replenished in a certain time there's penalties

**Acting chair A. Bordallo:** here it says, cash in the bank, total cash in the bank is 879 thousand less the 500 thousand restricted equal the 379 thousand which is part of the 1.3

**Joey Cruz, CLTC:** that 1.3 is a combination of the 1 million that was appropriated and the return of the 300 thousand that was transferred out in 2017, their returning back that transferred out

**Commissioner Herrera:** not including the 500 reserved

**Acting chair A. Bordallo:** that's part of cash in the bank

**Joey Cruz, CLTC:** we didn't include the cash in the bank, the 500 thousand because it's restricted

**Acting chair A. Bordallo:** I know, I understand that, in other words we can't spend it period, but, the 379 is part of the 1.3 or 3

**Joey Cruz, CLTC:** it's an addition of the 1.3. The 1.3. is what was appropriated in the FY2024 budget act

**Acting chair A. Bordallo:** So, you have the 3 million customers that need money or guarantee

**Commissioner Herrera:** 2.3, yes

**Acting chair A. Bordallo:** you have 1.6, so, it's more than 50%

**Commissioner Herrera:** more than 50%, motion to

**Acting chair A. Bordallo:** you didn't say how to say it

**Commissioner Herrera:** I highlighted; I highlighted the new current 20

**Acting chair A. Bordallo:** the 20 customers of ours that need to be addressed the loan guarantee

**Commissioner Herrera:** and we have the 1.6

**Attorney Finney:** yes, but you also have your 10.4

**Acting chair A. Bordallo:** That's separate

**Commissioner Garrido:** that's a different story

**Attorney Finney:** it's not really a different story

**Commissioner Hererra:** based on page 23 it's the same

**Attorney Finney:** it's already guaranteed



**Acting chair A. Bordallo:** we have 12 million to guarantee reserved and we spent already 10 and now we need 2.3

**Attorney Finney:** what do you mean you have, I'm not sure I understand that

**Commissioner Herrera:** go ahead

**Acting chair A. Bordallo:** you're the math person

**Joey Cruz, CLTC:** you can't segregate what was done in the past and what's going to be done, it's part of the total aggregate amount so, it will come out and if the commission is only available to guarantee the 3.3 million it will come out to almost 14 million dollars. The commission still has the opportunity to determine what is the reasonable amount to have in reserve

**Acting chair A. Bordallo:** which is 50%

**Joey Cruz, CLTC:** 15

**Acting chair A. Bordallo:** 50%

**Commissioner Garrido:** I don't know what percentage we have in reserve

**Commissioner Herrera:** if you're using the 2.3 and 1.6, it's about 50 plus, what the attorney is saying is we cannot separate this from the 10, is what you're saying

**Attorney Finney:** right

**Commissioner Herrera:** what we want to address is the 20 constituents to date and when we go to court, we'll say your honor we wanted to address those that have no homes and if need be that you put 3 commissioners behind bar, we're really

**Acting chair A. Bordallo:** there going to take my assets and sell it, that's what's going to happen

**Commissioner Herrera:** no problem the asset, it's the freedom

**Joey Cruz, CLTC:** that's just something for the board to think about. We keep mentioning and it was mentioned on the last meeting if you think of a reasonable amount or percentage and then we can go from there if you guys determine if all the money should come we're at 40% with actual cash in the bank so, we still have cushion of 20% to go, it will go down, it reduces

**Acting chair A. Bordallo:** Joey, it that's you, what would you do? In our position

**Joey Cruz, CLTC:** I think I need a recess first

**Commissioner Herrera:** let's face this, let's face it

**Acting chair A. Bordallo:** No, let's hear what he has to say, because he's been here

**Joey Cruz, CLTC:** how we got to 10.4

**Commissioner Herrera:** remember the 10.4, the 500 thousand, it went to 20 some years of course

**Acting chair A. Bordallo:** only half of that belong to SBA

**Commissioner Herrera:** the rest is USDA

**Acting chair A. Bordallo:** the rest is something else

**Commissioner Garrido:** USDA and Guam Housing

**Acting chair A. Bordallo:** Guam Housing is 3.7 and I don't know what's all these little things

**Commissioner Herrera:** that's from the other lending institution

**Joey Cruz, CLTC:** those initially awarded to SBA but then were charged off and sent to a collection agency and that's who those other companies are

**Acting chair A. Bordallo:** they assumed the loan

**Commissioner Herrera:** I was looking at the cash flow madam chair

**Acting chair A. Bordallo:** when they assumed the loan, we haven't had the customer assume it too, meaning are they continuing the payment?

**Joey Cruz, CLTC:** so far, we can assume yes, no one has come knocking on our door or sent us letters demanding pay that we are aware of today

**Acting chair A. Bordallo:** I was just wondering the people that defaulted on their loans and these companies have assumed the loans

**Joey Cruz, CLTC:** the ones that are marked in red to our knowledge they have not been sold off yet to the company

**Acting chair A. Bordallo:** But you have others here, the residential credit solutions

**Joey Cruz, CLTC:** those are still performing, we have not received any demand pay or anything

**Acting chair A. Bordallo:** well, when they're not demanding something must be going on

**Commissioner Garrido:** when they're not demanding, they're still being serviced

**Acting chair A. Bordallo:** somebody's paying, that's why we should go out there and see

**Joey Cruz, CLTC:** we see everybody listed there but we'll prioritize the one in red

**Acting chair A. Bordallo:** Yeah

**Commissioner Herrera:** this is urgent

**Acting chair A. Bordallo:** and the question is the beneficiaries of those applicants. There going to sign off

**Commissioner Herrera:** the beneficiary will be in the applicant right Mr. director

**Commissioner Garrido:** there is nothing in the SBA loan that signs the beneficiary

**Commissioner Herrera:** understand, what I'm saying is the lessee has beneficiaries right and then again, we apply the ejection criteria of successorship in page 38 and also the one on page 32, section H beneficiary

**Joey Cruz, CLTC:** I think for the requirement for co-signor or co-borrower would be the underwriting requirements of the institution. I don't know, possibly we can hold the beneficiary to become the co-borrower or the co-signor if that's what the discussion is and understanding it correctly

**Attorney Finney:** I'm not sure if you can just require across the board

**Joey Cruz, CLTC:** before if the lessee should pass and before the conveyance of the lease to the successor and named beneficiaries, they have to agree to inherit the loan and payments

**Commissioner Garrido:** I agree with that, there should be something is writing that says the beneficiary will assume all liabilities because there's expedience on the land and the structure

**Joey Cruz, CLTC:** that's a process we do already when it's conveyed and there's a loan

**Commissioner Garrido:** conveyance the beneficiary that were within the less than 18-year-old not being legally responsible for it and maybe that's one of the reasons why initially I don't know but I'm assuming that grand children were not part of being a beneficiary

**Commissioner Herrera:** that's the one we're going to proffer to include that and amend that language, that's for number 6 right

**Commissioner Garrido:** yes

**Commissioner Herrera:** so, these things and we're going to keep procrastinating on this one, September is going to go and we're going to be in October and the first session would be next week for the fiscal year 24

**Commissioner Garrido:** Joey I hate to put you on the spot because you're on an acting capacity but how can we service the 20 or 19 SBA applicants

**Commissioner Herrera:** right here, it's called loan guarantee. Once these guys carry this, there going to hire a contractor, get a bonding contractor, get an estimate and go to phase 1 ground breaking, clearing and grading then foundation and that's it

**Commissioner Garrido:** what is this 10 million

**Joey Cruz, CLTC:** it becomes part of the total aggregate but like it was discussed even in the previous last week's meeting and even today those tasks your guys should consider doing is determining what's reasonable, next week is October 1<sup>st</sup>, that's when everything starts to get build into our financial system and we can see by that time if everything that's was mentioned was appropriated will be there more than likely, what was discussed off line I'm not to sure the amount and what was requested I don't know

but hopefully by next week we can verify so when we come into October you guys have already decided and if you should consider deciding the reasonable rate or the percentage it's going to be and we have sufficient funding in the bank then we can proceed with approving loan guarantees and still be in the threshold of you guys determine to be reasonable

**Commissioner Garrido:** madam chair may I suggest maybe that we allow Mr. Cruz to reach out to SBA and find out if SBA can give us special consideration for the Mawar victims because that's why we're intermixing a big old problem with a new situation and if we can get relief from SBA to say

**Commissioner Herrera:** relief to wave the guarantee

**Commissioner Garrido:** just with Mawar

**Commissioner Herrera:** that's what I asked

**Acting chair A. Bordallo:** the 20, that will be nice

**Commissioner Garrido:** can we authorize Mr. Cruz to reach out to SBA and see if they would allow because it happened because of the disaster, not to improve the property

**Acting chair A. Bordallo:** sure, right

**Commissioner Garrido:** this is me saying, my house was destroyed, I'm living on dirt floors, I have a tarp over my head for a roof and my family is exposed to the weather

**Acting chair A. Bordallo:** and we're still waiting for the Governor and the legislature, we need help here

**Commissioner Herrera:** do we provide the loan guarantee now and then ask for a waiver, because in August I asked the same question, go to page 23 for everybody that's here on this table and you can check the record, go to page 23, go to the last sentence and pars it out, dissect every language on that and come back with the number. The number right, very simple the aggregate amount is 10.4, 2.3 for the new, 10.4 for the old, about 13, simple and we're not in tuned with that language we're only 2 months ahead of this because of course we want to strike out this, if we had a sharpie, we'll strike it out, and you were saying we cannot do that

**Attorney Finney:** I don't advise that you guys do

**Commissioner Herrera:** I understand, this was written by the men and women of the legislature, we're saying to please pars this out, get the amendment or the language you want to put in so we can get the language done so we can proceed forward and we're going to do it both in parallel. Provide the loan guarantee and modify the language to fit the 25% ceiling, 75% using ejection criteria, simple we'll make the experts down at the legislature do that while our folks carry their loan guarantee. 20 is going to increase most likely but in the mean time the first 20 they can start their phase 1 getting a bonded contractor

**Attorney Finney:** I don't advise that you guarantee more than the availability of the funds to reasonably provide security

**Commissioner Herrera:** correct

**Commissioner Garrido:** define reasonably

**Attorney Finney:** that's what you guys are talking about

**Commissioner Garrido:** well, you're advising against it

**Attorney Finney:** what I'm saying is right now, right now today, you have 300 thousand in the bank, your have your 1.3 coming and your have your outstanding request

**Commissioner Herrera:** which is about 4, total 6 or 5

**Attorney Finney:** if it all comes in but you don't know right now how much you'll have

**Commissioner Herrera:** so, we'll go on a safe number 1.6 mil but, like you said that 1.6 is supposed to cover 10.4

**Attorney Finney:** (inaudible)

**Commissioner Herrera:** understood, 2.2

**Acting chair A. Bordallo:** 2.4

**Joey Cruz, CLTC:** I'm just going to throw this question out there if the commission only guarantees the real repair replacement and does not guarantee the other expenditures, what happens to that individuals loan application, does it get rejected, disapproved

**Acting chair A. Bordallo:** that's their problem. What they can do is not get the money and just build the house

**Commissioner Herrera:** the new ones you're saying

**Acting chair A. Bordallo:** what they applied for, if they give them to clear the land and everything that's on their own

**Joey Cruz, CLTC:** SBA require them to guarantee

**Commissioner Herrera:** madam chair

**Acting chair A. Bordallo:** we're only guaranteeing building the house, you don't guarantee

**Joey Cruz, CLTC:** understood

**Commissioner Garrido:** we'll go back to my request

**Acting chair A. Bordallo:** yes, that's a good request

**Commissioner Garrido:** can we empower Mr. Cruz to sit down with SBA and let's try to refine the details and give special consideration for Mawar victims

**Acting chairs A. Bordallo:** for these

**Commissioner Garrido:** do I need to put that in the motion or can we just instruct Mr. Cruz

**Joey Cruz, CLTC:** may I say something? Maybe not specific to the name of the individual but the administrator director or the acting, I'm only in this position for

**Commissioner Garrido:** yes, the acting

**Acting chair A. Bordallo:** yeah, but the administrative assistant won't be back until November 30th

**Commissioner Herrera:** I asked that question right, that question has to go to legal or SBA and the legal for SBA is not on Guam, we'll wait another month

**Joey Cruz, CLTC:** we've been, me and Dexter have been emailing corresponding, we do have their email addresses and we'll send your inquiry

**Commissioner Garrido:** could we, I know you're not going to like my next suggestion madam chair but in order to not having to wait until our next regular board meeting that we go on recess again.

**Acting chair A. Bordallo:** Yeah

**Commissioner Garrido:** can they get feedback from the acting director

**Acting chair A. Bordallo:** Yes

**Joey Cruz, CLTC:** can we have a projected day of when to reconvene

**Acting chair A. Bordallo:** how many days do we need to publish

**Joey Cruz, CLTC:** it's not required but we do anyways

**Commissioner Garrido:** what do you suggest? You're on the frontline so you're the better knowledge of what the timeline would be

**Joey Cruz, CLTC:** I don't know what's the response time

**Commissioner Garrido:** either Tuesday or Thursday is good for me

**Joey Cruz, CLTC:** October 3<sup>rd</sup>

**Commissioner Garrido:** October 3<sup>rd</sup> is good for me

**Acting chair A. Bordallo:** that's fine

**Joey Cruz, CLTC:** what time?

**Commissioner Garrido:** Commissioner, October 3<sup>rd</sup> good

**Commissioner Herrera:** I'm good any time. What's the next agenda?

**Commissioner Garrido:** 2'oclock

**Commissioner Herrera:** we're not going to the next one

**Commissioner Garrido:** yes

**Commissioner Herrera:** no, the meeting from that public hearing that going to be held Friday, you guys read your email. What's that cover letter, the resolution

**Acting chair A. Bordallo:** No, I don't have a copy

**Commissioner Herrera:** page 1, the resolution from Senator San Agustin

**Attorney Finney:** I'm looking at the agenda

**Commissioner Herrera:** number 9

**Acting chair A. Bordallo:** but, it's not on the agenda

**Commissioner Herrera:** ok, so, we'll table

**Acting chair A. Bordallo:** you can bring it up in October

**Attorney Finney:** this is still a continuation from your meeting from last week so you can only discuss what on the agenda

**Acting chair A. Bordallo:** we can take this up on the next October 4, legal counsel the correspondence

**Attorney Finney:** if you're continuing this meeting then you're continuing off

**Acting chair A. Bordallo:** the original, ok

**Attorney Finney:** but if you're going to take up some additional business

**Commissioner Garrido:** we're supposed to have discussions for the Guam racing federation, Ko'Ko recycling and Ta'Ta communications, it's on the agenda

**Acting chair A. Bordallo:** Yes

**Attorney Finney:** (inaudible)

**Commissioner Herrera:** you came later, the loan guarantee is the hot item. So, we call for adjournment madam

**Commissioner Garrido:** not adjourned, recess

**Commissioner Herrera:** recess

**Acting chair A. Bordallo:** can you take up on the continuation on the 9

**Attorney Finney:** on these things, sure

**Acting chair A. Bordallo:** ok, we will go on recess on October 3<sup>rd</sup>

**Commissioner Herrera:** can we hear? There's no public comment, were not

**Attorney Finney:** it is on the agenda

**Commissioner Garrido:** it's on the agenda

**Acting chair A. Bordallo:** it's after your report

**Attorney Finney:** it's really up to you guys

**Commissioner Garrido:** public comment

**Acting chair A. Bordallo:** you're going to take ...

**Commissioner Garrido:** we're recessing on the counsel report and we're recessing on the loan guaranty until next week

**Acting chair A. Bordallo:** you want to include the, so, on public comments you want to include today

**Commissioner Garrido:** I believe Mr. Cruz wanted to make a comment

**Acting chair A. Bordallo:** no, I'm asking you, you guys vote on it. Ok so be it. Mr. Cruz. Before Mr. Cruz talks, we need a motion to continue this meeting on October 3<sup>rd</sup> at what time

**Joey Cruz, CLTC:** that would be after

**Attorney Finney:** you don't want to recess it if you're continuing your meeting

**Acting chair A. Bordallo:** ok

**Tony Cruz:** My name is Tony Cruz, all of this disaster from SBA, the guaranty loan. Let's say this son of mine, his income cannot meet, for example he could only meet 6-7 hundred dollars and my loan is 8 hundred dollars and something happen to me, I don't want to lose that thing with all the effort of this thing of what's going on. I questioned SBA can I purchase an insured for my loan, to insure my loan for that 220 thousand, credit life. I want to ensure that because if I don't, all those things that I've done for myself and my family and something happen to me, I hate to see everything, nothing to for the kids, that's my concern to me

**Acting chair A. Bordallo:** Mr. Cruz did SBA answer your question

**Tony Cruz:** SBA informed me, yes Mr. Cruz you could purchase insurance in case something happens you loan is clear and paid off

**Acting chair A. Bordallo:** there you go

**Tony Cruz:** but we have to do it and we have to pick the board on it, do you agree on it, because right now there's a lot of banks that are

**Acting chair A. Bordallo:** you're being included in your payment

**Tony Cruz:** yes, it will be included, I had to purchase, I have to show everything what's you know what will total everything. The idea is that for me is to protect me and my kids and also some other people that cannot afford the loan being approved and the most topic thing I want to bring up is that guaranty for our grand. If you look at your take, the grand that cannot be only your kids, what if I got him for example, he is my son and he died and I still have this piece of property I got everything that I put out and he got a



son, Pedro or whatever his name is, can that property be granted to the grand because the reason is he's the only one, he's the only child I got right now. Can that be changed and the only question

**Acting chair A. Bordallo:** that's two different things is the credit

**Tony Cruz:** that's the only two I want the insurance and the beneficiary

**Commissioner Herrera:** remember the number 6 because of the beneficiary so that's the one we want to amend to have the bill proffered for that amendment and how that parallel into the loan that's another

**Acting chair A. Bordallo:** No, but he had credit life insurance it pays out the loan

**Commissioner Garrido:** that's not employment insurance

**Acting chair A. Bordallo:** it's credit, it's a credit insurance if he was to pass away it takes care of the loan, it pays off

**Tony Cruz:** Yes, it's the beneficiary of the land. Is that piece of property and that house my insurance that I paid off, is that will honor my grandson

**Commissioner Herrera:** that's the law we're trying to get amended

**Joey Cruz, CLTC:** In the current form of the law a grandchild is an ineligible beneficiary or successor

**Commissioner Herrera:** and to be positive about it we want to get a bill proffered as soon as possible, not another year, not another 10 years

**Tony Cruz:** because of that reason, this thing is moving to the point where we're dealing with money with family

**Commissioner Herrera:** you're right

**Commissioner Garrido:** mortgage insurance will pay off your loan

**Tony Cruz:** I don't mind, paying off my loan of what I owe, I don't want to go back to jail anyway but I want to pay it off because one of my kids is going to get in trouble, like for example your my son and your gone and you only have one child, I take that piece of property that I work hard and so as you probably because you are my son, we give it to our grand, we give it to your son and decide to give your son because that's the only grand you got. And that's what I want to know how can we do that fast to take care of us when we start this loan. I know you have to go through boards and I understand that you have to be patience

**Acting chair A. Bordallo:** is there a continuation as far a beneficiary, let's say Mr. Cruz son is the beneficiary and when he passes his son becomes the person that takes over then he can change the beneficiary through his side

**Joey Cruz, CLTC:** In this case his son had passed before his grandson, a direct passage from grandfather to grandson is not allowed

**Commissioner Herrera:** that's what we're trying to figure

**Acting chair A. Bordallo:** that has to go through the law

**Commissioner Herrera:** it can be done Mr. Cruz, we just have to work, right now it's not in the books but we want to amend the language

**Acting chair A. Bordallo:** and it helps when you go to the legislature and request for that

**Tony Cruz:** Yeah, because you know, anybody, if that's my only child, suffered so many years of that and whatever. Matai patgon mu ya guiha I yu'mu grand, nahi I yi iyuku grand sa that's all I got, that's all I got. Take care of that

**Commissioner Herrera:** madam chair, you know maybe even rarer in children, you have a child that is reared, we can include that in the language. Ma poksai na patgon

**Commissioner Garrido:** that's the answer

**Tony Cruz:** right, guaha yu, some kids they neglect the parents, they don't even want to be involve with their parents then this child spend 30-40 years helping her or me for example, I see all the work he did when I was alive, now that I'm gone, I have to give something that child, he's there when I need, not my own child that doesn't care about me or not living on the island or right next to you. Lanya si Antonio sa malagnu, I had to, I had to take him to the doctor, or her or these are the things like you said is very important for us understand

**Acting chair A. Bordallo:** that's another thing Mr. Cruz, adopt the grandson

**Tony Cruz:** yeah

**Commissioner Herrera:** to by your child

**Acting chair A. Bordallo:** Yeah

**Tony Cruz:** in the olden days some of them are not adopted, they just took them but yet the child did all the work

**Commissioner Herrera:** that's another good language to incorporated in the language in case the parent doesn't understand the language of the law and that's why we have such a problem, we speak the language of the legislature but our grass roots, when you say aggregate amount I'm thinking it's gravel, really that's how ignorant I am and I have to spend day and night to understand this language because of the aggregate amount and the reasonable amount and all those language I've been parsing day and night, day and night to find a resolution but the language needs to be amended and just for public information it's being worked on

**Tony Cruz:** just like my child is not here, I'm the only one. The mother took them since they were a kid because I had problem marriage and they, she doesn't want me to take care of my kids, no matter what happen between the two of us, don't let the kids involve, lets help them, we bring them out of this earth, lets take care of them, make sure we do our job. Like you said, every day, every day I contact my kids, sit down and had a meeting with the four kids, let me know what's going on, my daughter is coming in to take care of this stuff, we already discuss how we're going to do, I don't want to die and everybody is fighting like a cat and dog at their own brothers and sisters, why are you fighting about this, this came from a father for you kids to all share equally

**Commissioner Herrera:** to put on paper

**Tony Cruz:** you have to put everything in paper and set it in the law, this is what we want, this is what my parent wants

**Commissioner Herrea:** maoleg, si yu'us maasi

**Tony Cruz:** Thank you

**Jose C. Quinata:** Buenas dia, inifresi, I ta'no they gave up our land from our ancestors and here we are now facing issues like the grass roots. We are not being attended the way we are supposed to, we are the lower class they put in the side, you cannot compare individuals that high class compare to the low class, I for one, I know for a fact federal money is coming in by millions of dollars with this CHamoru land trust here, I think I've been here maybe 8 times already like I said the last pretty soon I'm going to own a parking lot here. I really don't know you guys until continuous meeting, meeting, meeting, meeting that's how I know you guys with all the respect, help us low class, help us grass roots, money is coming in from the federal. Why is that SBA can help us but here we're having a hard time, SBA is freaking out. Isn't that a shame, their freaking out why, they even wrote a note indicate why CHamoru land trust or the Government of Guam or the Governor or the Lt. Governor or the legislature why can't they guarantee us the loan. This is federal money that's coming in, federal money is not for people to get or directors get raises, no, it's to help us grass roots, don't just know us to put up signs and all that, I for one, I'm still living under a canopy, if you guys remember that no stop rain, my place is getting flooded I will not be here. I will not be here if my place is still standing, I will not be here if my place is still standing, I'm going to repeat it again, I'm living under a canopy

**Commissioner Herrera:** with children

**Jose C. Quinata:** with children

**Commissioner Herrera:** and senior citizen

**Jose C. Quinata:** and when it gets flooded, I cried in tears, where is the leadership in the entire Government of Guam in all these 3 branches from the legislature from the Executive and the Judiciary where's all the help, like I said I'm here. I don't know you guys that good, I own a parking lot here already, I already know where to park, even the security guard already know who I am. It's embarrassing, that us grass roots, the low class are not being helped. I've been in this meeting for so many times already and all SBA is asking for is a loan guarantee and agreement. I just receive a letter from the land agent that I'm going to get me a plan, once I get a plan, I'm going to present to you guys for approval, I can't even get a loan guarantee and you're already telling me to get a plan for you guys to approve for me to build a house. Even my contractor is giving up on me already because you know why I also call, hey, please don't leave me behind, oh what's going on, you're taking too long, oh I'm having issues, why? I need this requirement from SBA, so, if you guys' acting director Joseph Cruz, Legal Counsel Finney, commissioner Mr. Garrido, commissioner Mr. Herrera, madam chair Mrs. Bordallo and the staff, when it rains, my place gets flooded, I'm living under a tarp, when it rains and the winds start to blow the canopy starts to shake, you think I'm sleeping good at night, no, but, once the canopy collapse, I know I'm going to be so pissed off not getting no help from the Government. Federal money is coming in to help the low class, not to get pay raises, come on man I'm been into politics, you guys sitting in solid roof concrete, I am not, like I said I would not be here if my place is still standing but just remember the word inifresi, give offer, help, water, land and the air

that we breath, if you guys don't understand that, remove that. Words don't mean nothing if you can't help the people. I'm one of them, I'm asking for help, this is taking too long already man, the Governor, the Lt. Governor, the director of CHamoru land trust, what's her name Alice and I'm glad you're here, I hope that you do some consideration acting director Joseph B. Cruz and Madam chair Arlene, legal counsel, commissioner Garrido, Mr. commissioner Herrera, this is embarrassing, us Chamorro or what we call Guamanians, why are we having hard time, why? Why can't we help, like I said federal money is coming in but they don't know where's the money. Everybody likes to gossip; the money is in the bank. Help the people, we live in a small island surrounded by water with different culture, different nationality but when it comes to help our local people where in the bottom line, put yourself in my shoe living under a canopy when it rains and it gets flooded, water flows, you have to tell your kids to get up on top of couch, get up on top of the pallet, make a trench and here I am now I'm asking for help. Like what madam chair said the last meeting, let's help these people because their living on the dirt. Mr. commissioner Earl Garrido mentioned let's start with the issue of the Mawar. I know triggered this, the past constituents that didn't make payment through SBA, that's what triggered us now and also Mr. Commissioner David Herrera, we need. You guys already mentioned about loan guarantee, that's all SBA wants is loan guarantee. Like I mentioned earlier when I stepped in this door here, the land agent gave me a paper, I said what's this for? This is for your floor plan, present it to the board for approval, how can I present a floor plan I'm not even given the loan guarantee, it's like number 5 comes before number 1. Give me number 1 then we'll continue with number 5 then we're good to go but already you're presenting me a floor plan to have the board under CHamoru land trust to present for approval. First of all, like Mr. commissioner Earl Garrido said Mr. David Herrera, Madam chair Arlene Bordallo, let's start with the Mawar. Start with us first, we're suffering, deal with those constituents that didn't pay SBA, I don't know what so hard about that, if they don't pay like the letter says, if they don't pay, they'll get default, get evicted or sued. Put yourself in my shoe, I'm sitting under a tent even to have a visitor in my place everything is exposed from bed to couch, even the kitchen is right there, I'm even making my kids eat on top of the bed, I'm really hurting man, really. If I was in you guys' shoe sitting pretty, I will not even come here but if you guys being here, I'm asking support to provide us the Mawar constituents that are looking for loan guarantee, SBA is freaking out, why? They even gave me a letter to stipulate why CHamoru land trust would not issue a SBA guarantee loan, those guys are here the federal, FEMA, all the federal officers came to Guam to help and this is what we're facing now. Come on man, leave politics on the side, help us poor grass roots and I'm one of them, I'm not rich but I know I accumulate a lot friends and family, your friends, my friends, your family, my family but I cannot invite you guys to my place because my hospitality if you guys come there, I'm not going to offer you guys to eat on top of the bed but the first thing the visitor is going to say is wow, what's going on? What happened to our local leaders? That's the word, what is going on with our local leaders? Do we have to wait until it's time for election? Like you guys said Mr. Garrido, Mr. Herrera, madam chair Arlene, let's begin with the Mawar constituents that suffered in this disaster storm. I'm out there after the storm, restoring power island wide and now I'm asking for help, I am going through this issue right now, it's very simple, very simple, SBA asking for loan guarantee and agreement. Why can't you guys just compromise and say ok let's start with Mawar and later go back and see what's happening like what you guys mentioned go back and do your investigations, if there still there how come you haven't pay

**Commissioner Herrera:** seniot if I may, today on this table and It's on the record right I went through 75a and I went through numbers and I went through the language and I offered an alternative based on this, I read this day in and day out since I got the documents and you know the answer is in this 75a but did it resonate, I offered an interim, it did not resonate, here now I have a copy of this one, my logic is that if we

had 10 million aggregate amount and then we only have 3.2 and we got 1.6 coming that's my basis is that we can do this in my opinion but the others opinion is that it's not going to go but I tried, you want to wait another month, if we get away from this great, but the understanding that the SBA has analyzed the past record of CHamoru land trust, they have analyzed it 10.4, 19 in the red so they know, if you and I go to the regular bank and your payment record and action, but if I go to a company to borrow money and I'm not meeting my obligation, do you really think that company will give you that obligation again, of course. Again, for the record I went through here's the loan guarantee it doesn't have a dollar amount, it doesn't say dollar for dollar or quarter for 75. Here's 75a I went through it, and it's in here, you can do it. if we get a waiver good, we don't get a waiver then I feel for you, I really feel for you, you know, we know I sleep in a truck but I'm not complaining. What I'm saying this can be proffered and this can be amended and in the interim, I'll provide this to you guys but, what do you do when your out numbered but thank you for coming. I rest my case

**Jose C. Quinata:** I just hope that there's going to be another meeting again, and again and again

**Acting chair A. Bordallo:** you know what I can say about this, our record with SBA doesn't look good

**Commissioner Herrera:** correct, do you really think they're going to pay

**Acting chair A. Bordallo:** where is it that they come to Guam, SBA, saying we can help you do this and that. Why does CHamoru land trust have to guarantee the SBA loans, why?

**Commissioner Herrera:** right, because of the past record

**Acting chair A. Bordallo:** past record, but have they come to us and say I demand the money now

**Commissioner Herrera:** well, we have one letter, one letter from SBA

**Acting chair A. Bordallo:** that's from 2014

**Commissioner Herrera:** yes, we want to check if all the 19 to have that letter

**Acting chair A. Bordallo:** I can call back and say is based on our recommendation of our legal counsel

**Commissioner Herrera:** yes, I take that into consideration

**Acting chair A. Bordallo:** and it's the legislature, the Governor that should provide the money to guarantee the loans. CHamoru land trust doesn't have it

**Commissioner Herrera:** or to tweak the language madam chair, the language of the aggregate versus the reasonably reasonable, that one

**Commissioner Garrido:** reasonable is good because we determine what is reasonable as a board

**Commissioner Herrera:** correct

**Acting chair A. Bordallo:** but this is how I'm thinking. If you're sincere about helping people SBA shouldn't be asking us to guarantee the loan

**Commissioner Garrido:** especially if it's under typhoon conditions

**Acting chair A. Bordallo:** right. If they're here to help then help us. These people are the ones suffering

**Commissioner Herrera:** I know but the road block is on us, on this table

**Jose C. Quinata:** Thank you, madam chair

**Acting chair A. Bordallo:** the road block is we don't have the money, yet. The only person that can give us the money is the legislature and the Governor

**Commissioner Herrera:** or tweak the language that we don't need the money and we can use the ratio

**Acting chair A. Bordallo:** sometimes, commissioner Herrera too much low is not good

**Jose C. Quinata:** I agree, help us man

**Acting chair A. Bordallo:** too much low

**Jose C. Quinata:** why have a legal counsel here that don't even understand how we feel as a grass root here. If you're living on a solid roof and it starts to rain hard, flooded, you're not worried, I'll even bet you're not even thinking about us poor people living in a flood zone, under a canopy, leaking canopy. Don't look at us local people like we're low class, come on. We have Governor, we have legislature, we have the judiciary and now I have you guys here. You know I know you guys here pretty much

**Acting chair A. Bordallo:** Mr. Quinata, you should also go to the legislature and complain that you can't get a guarantee unless CHamoru land trust can get the money to guarantee the loan

**Jose C. Quinata:** all I know is there's a lot of federal money coming in to Guam for example all rise plan, maybe rice plant

**Acting chair A. Bordallo:** that's what we're seeking from the Governor is that

**Commissioner Garrido:** Joe, we really understand your dilemma, we really want to help but right now our hands are tied because of the insufficient funds, if you will take the chairperson's advice, go down to the legislature and talk to senator San Agustin he's preparing a bill that will address your concerns.

**Jose C. Quinata:** I understand that going down to the legislature, commit the shortcut. Why don't the director of CHamoru land trust go down herself, I was watching the last meeting at the legislature, even Mr. Carlos Camacho, Guam Housing was there but is there any representative like the director, no, do you know why, maybe she doesn't care

**Commissioner Garrido:** we'll hold her feet to the fire

**Commissioner Herrera:** bill 107

**Jose C. Quinata:** yeah, and Mr. Carlos Camacho had mentioned, how come I didn't see not land trust representative only Guam Housing

**Commissioner Herrera:** I was online in that public hearing, I don't, I pay attention to this meeting day in and day out I don't take a day break

**Jose C. Quinata:** and for the director and for me to voice myself to Mr. San Agustin or the legislature, no, let the director do her job and if cannot do her job then remove her. I'm saying this through my heart and this is how I feel, if you cannot do your job then get out if your only here for the pay, you don't deserve it. You know why I say that, how many times I've been here, 8 times already, 8 times and a land agent to give me a paper and saying get your floor plan and present to the board for approval, how can you tell me that I'm not even given the loan guarantee from CHamoru land trust and you want me to present the map to the board, come on man, I'm not dumb, I may look ugly but not dumb. So, embarrassing the last meeting at the legislature the director wasn't even present because if the director was there, yes, ask Mr. San Agustin, we need to bail out CHamoru land trust, we need 20 million dollars, revenue and tax, go to the other agency, we got GEDA, we got USDA. We got all those, I don't know, I'm going to leave here and tell my family same old shit, nothing. So, you know what I'm going to do, I'm going to buy me another canopy and prepare myself for this rainy season coming down again and when you guys stay in your house under a concrete roof, think about the poor people living on top of a dirt, eating on top of a dirt, sleeping on top of flood water before I used to have visitors come to my place now, I'm not inviting them over because when I invite them over everything is exposed, my bed, my kitchen, my clothes are hanging on the canopy, I don't know how you guys feel man but if I was a director, acting director or legal counsel, enough is enough, people are coming inside here crying for help and here we are waiting, let's help these people out, how many times I've asked for help. I'm asking for help, if you cannot take the heat so, please be a director or assistance director come on man, help the grass roots, help the poor, if I bring over to my place your gong to freak out how we live. Back in the 1970's the way we live right now is like the refugee times. So sad I'm going to leave here and same thing again going to happen, the director is not here, I don't know where the director, the director didn't even attend the legislature's meeting so embarrassing, Mr. Carlos Camacho even mentioned, I don't where is the director from land trust. He spoke for the grass roots, the poor people that are living under a tent, he mentioned what will happen if there's another storm next month, are we prepared? No. I want to say madam chair thank you very much, commission Mr. David Herrera and Mr. Earl Garrido and legal counsel and I'm glad you're there, administrative director Mr. Joseph Cruz and KGTF right, with KGTF I'm a star of the movie theatre. I exposed my picture at the Agana billboard, the man, the family, the legend, I've been with GPA for over 37 years, I know politics, I know how it feels when people hurt during the time of restoration of power, I was crying because when you see GPA bucket truck, I get emotional, the kids running out saying thank you Mr. GPA for turning on the power, I don't promise them, I talk to them nicely and I will not promise you but I will try my best to turn on your power. I'm not going to turn on only 20 customers, I'm going to turn on 500 customers one time shot, if it has to take me up to 3 in the morning, I'm going to energize those customers 3 in the morning, Thank you

**Commissioner Herrera:** that's a copy of the loan guarantee, soak it in diesel and fire it up at 440kw

**Jose C. Quinata:** like the letter I have here, SBA saying that they will go to the past constituents to get their money back, I got the letter here, if you guys don't know I'll keep it to myself. Honestly, help the poor

**Commissioner Herrera:** is that an extension you have or is it to extend

**Jose C. Quinata:** no, this is the one I have from the land agent about to get my floor plan and present it to the board for approval, I even asked her to make me a copy, I don't know, I'm going from 5 to 1 instead of 1 to 5 and really, this is really sad for my family, I'm going to come home and say just prepare for the next storm and this time, I even told my co-workers my friends and family, if CHamoru land trust give me the loan guarantee, they asked me how I'm going to build my house, do you know what I told them? It may sound funny; I told my friends and family I'm going to build my house underground so I don't have to put up typhoon shutters. See, I made you laugh, acting director Joseph Cruz. Am I smart or dumb?

**Acting chair A. Bordallo:** Mr. Quinata, you can also apply at Guam Housing Corporation

**Jose C. Quinata:** I understand that madam chair Mrs. Arlene Bordallo but I rather stick with the 2%, the 6% I going to cut people's grass even though the grass is not growing I will cut it over and over again but, I'll deal with the 2% you know

**Commissioner Herrera:** this can be resolved here, it can be, you just have to have the spirit

**Jose C. Quinata:** with you guys right here, I can see magic, I can see miracles and when that magic and miracle happens, you know what I'm going to say, you guys are genius.

**Acting chair A. Bordallo:** if it happens

**Commissioner Herrera:** it will happen, ok, thank you so much

**Jose C. Quinata:** you're welcome

**Commissioner Garrido:** thank you Joe, we'll continue to try our best

**Jose C. Quinata:** acting administrator, next meeting can you put a sign there, parking for Mr. Jose C. Quinata so I don't have to walk far downstairs to upstairs anyway I'm going to say this, I appreciate you guys my brothers and sisters sitting in your position right now and I thank you for accepting my speech and I honor and respect you guys, just excuse my frustration by it's really hurting for me to keep coming back and forth just know there's no good news. I hear madam chair Arlene Bordallo, why they come to Guam and cannot help us, why do they need that? I don't think they have that, I even went to Marianas legal counsel, that's how far I go, good thing I didn't go to child support and ask for help. So, if you give me that loan guarantee acting administrative director, you think I'm going to build my house like ITC building, no, I'm going to build my house underground so when there's typhoon, I don't have to put up typhoon shutters, I'll just put my truck on top of the doorway

**Commissioner Herrera:** with an elevator, un dankulu na si yu'us ma'asi

**Jose C. Quinata:** anyway, I going to go around, why you laughing Joseph

**Joey Cruz, CLTC:** Thank you Sir

**Jose C. Quinata:** when I build my house, you're going to see my house underground, thank you so much. Hi Dexter, Mr. Dexter are you writing all what I said here



**Joey Cruz, CLTC:** make a motion

\*\*\*\*\***Multiple conversations going on**\*\*\*\*\*

**Acting chair A. Bordallo:** just like I said, the SBA loans they haven't called us to pay so why do they need a guarantee

**Commissioner Herrera:** Dinanche' hao

**Acting chair A. Bordallo:** why?

**Commissioner Herrera:** Ta na'i I loan guarantee este siha

**Acting chair A. Bordallo:** no, but why does SBA insist on getting a loan guarantee from us, CHamoru land trust and they haven't called the loans of those that were defaulted

**Commissioner Herrera:** na man ga'gao yu hu ta fan ali'hit yan I Tao tao SBA, hit na bakada ya ta faisen enao na question

**Acting chair Arlene Bordallo:** let him first go and see

**Joey Cruz, CLTC:** what I'll do tomorrow or even today I'll send an email. Tomorrow we'll make every effort to try to talk to someone here locally that's here from off island. I'll try to get as much information as we could, I don't know those people that are here can directly answer that but we'll do our best to gather information

**Commissioner Herrera:** on that email correspondence are we being cc'd, no.

**Attorney Finney:** you just want to be careful, you can't have any discussion outside of the meeting, so, if you guys all on that and have discussion back and forth that's going to be

**Commissioner Herrea:** when it's 3 or something like that

**Attorney Finney:** all your discussions have to be in the meeting

**Commissioner Herrea:** I understand, so, the email for us to see the correspondence is and the questions, because they may some technical questions, we want to ask just like the formula that I presented if there was their legal counsel here the SBA's and if they have any issues regarding the formula

**Attorney Finney:** they can communicate any questions that they have, you guys just can't have a discussion outside, if you had a question and you want them to consider, among the board members

**Acting chair A. Bordallo:** Mr. Herrera can discuss with Mr. Cruz what questions he would like to find out from SBA

**Attorney Finney:** right, not as a group outside

**Acting chair A. Bordallo:** he can communicate with him anytime but not we three together

**Commissioner Herrera:** during the correspondence of the questions and inquires, because when you see .....

**Commissioner Garrido:** Joey, would you like some assistance in composing a letter

**Joey Cruz, CLTC:** I can prepare, I can share every discussion and email thread

**Commissioner Garrido:** in a draft

**Joey Cruz, CLTC:** I don't have a copy of that

**Acting chair A. Bordallo:** that was a question too, whether you email everyone, is email

**Commissioner Garrido:** is there anything preventing you in copying us on that email

**Joey Cruz, CLTC:** no, just try not to make any discussions in between or outside, right Kristen

**Attorney Finney:** right, if you guys have correspondence among each other that is a violation

**Acting chair A. Bordallo:** writing is also

**Attorney Finney:** right, that's a communication

**Commissioner Herrera:** take for example the email today or yesterday from this group from the senator's group, did anybody see this yesterday or the day before, has anybody read

**Joey Cruz, CLTC:** we just received that today

**Acting chair Arlene Bordallo:** No

**Attorney Finney:** so, you don't want to have again a discussion about it even over email and you don't want it's not something that was on the agenda for, like I said this meeting is carrying over the same agenda from, you're just continuing the meeting, it's not a new meeting, so it's not a new agenda that's been put out that would inform the public what you're to going to discuss

**Commissioner Herrera:** so, the discussion on the next meeting in October would be to continue

**Attorney Finney:** to continue this meeting

**Commissioner Herrera:** of today and what's our target, to find out if SBA is going to waive

**Commissioner Garrido:** feedback from SBA

**Commissioner Herrera:** and the target is to waive it right

**Joey Cruz, CLTC:** waive the loan guarantee for Mawar

**Commissioner Herrera:** so, we'll just wait another week

**Commissioner Garrido:** and the legal's report

**Acting chair A. Bordallo:** yes

**Commissioner Herrera:** the legal's report on what

**Commissioner Garrido:** the agenda

**Commissioner Herrera:** ok

**Attorney Finney:** and I apologize I didn't cover

**Commissioner Herrera:** so, next week October 3<sup>rd</sup> same time

**Acting chair A. Bordallo:** 2'oclock

**Commissioner Garrido:** do I need to make a motion again to recess

**Attorney Finney:** Yes

**Commissioner Garrido:** I move that we recess this meeting until October 3<sup>rd</sup> at 2pm

**Commissioner Herrera:** second

**Acting chair A. Bordallo:** all in favor say aye

**Commissioner Garrido:** aye

**Commissioner Herrera:** aye, we're done. Have a good day

**Acting chair A. Bordallo:** Recess at 4:39pm and 2:14 was the start

**\*\*\*\*\*Recess until October 3, 2023 @ 2pm\*\*\*\*\***



# *Kumision Inangokkon Tano' CHamoru* *(CHamoru Land Trust Commission)*

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## **CLTC BOARD OF COMMISSIONERS MEETING**

CLTC Conference Room

Suite 223, ITC Building, Tamuning, Guam

**Tuesday, October 3, 2023 at 2:00PM**

*Lourdes A. Leon Guerrero*  
Governor

*Joshua F. Tenorio*  
Lieutenant Governor

### Commission Members

*Arlene P. Bordallo*  
Acting Chairperson

*David B. Herrera*  
Commissioner

*Earl J. Garrido*  
Commissioner

*(Vacant)*  
Commissioner

*Alice Taijeron*  
Administrative Director

Public Notice: *The Guam Daily Post* on September 14<sup>th</sup> and September 19, 2023 Government of Guam Public Notice Portal, CLTC's Facebook Page, and on CLTC's website at <https://dlm.guam.gov/chamoru-land-trust-commission/>

**Acting chair A. Bordallo:** This is the CHamoru land trust commission board meeting, **a continuation of September 21, 2023**, the time is now 2 o'clock. This meeting was published on the Guam public notice, number 4 approval of the regular board meeting August 17, 2023 and resumption of meeting August 30, 2023

**Joey Cruz, CLTC:** Madam chair, I don't think another packet was issued out. So, the last meeting, attorney Finney was to give her updates on her section but before we proceed with some updates regarding the loan guarantees and the funding.

**Acting chair A. Bordallo:** ok so, section 4 (inaudible) 7c loan guarantee update

**Joey Cruz, CLTC:** we haven't received a response yet from SBA in regards from the board's inquiry from the last meeting although the Governor has responded to Ms. Taijeron's letter dated September 22, 2023 and if I may I would like to read the letter out loud, it reads "Hafa adai director Taijeron, thank you for your letter dated September 22, 2023. I whole hearted agree that CHamoru land trust commission must address the issues facing our CLTC families and still suffering the aftermath of typhoon Mawar, therefore, I've instructed the director of administration Edward Birn and the director of Bureau of Budget of Management Research Lester Carlson to make this a priority. I'm to transfer the amount of 4 million dollars from the general recovery fund to the CHamoru loan guarantee fund. Please work with them for the transfer. Sersenemente Lourdes Leon Guerrero." I did speak with BBMR today to transfer the 4 million dollars should be completed by the end of this week. By the end of this week the system would read there's a 4 million dollar available added also to give you an update the recent budget act had appropriated 1 million dollar to the loan guarantee, the paperwork such as the establishment of the budget allotment, budget allotment scheduled and has been prepared and transmitted to BBMR also within the budget act, the restoration of the CHamoru land trust commission funds more specifically the loan guarantee money and that also the return of 320,105.00 also in total the budget act FY2024 appropriated the return of 1.3 million which the paper work has been completed and remitted and transferred to BBMR so, we expect that money to be uploaded into the system, that' give a total of 5.3 million dollars towards the loan guarantee fund to include the 379 thousand that's already there is about 5.6. now, with that said now the board can consider determining what would be the acceptable rate for the total aggregate amount to secure

**Acting chair A. Bordallo:** that's the part that has to go through the legislature

**Joey Cruz, CLTC:** no, I believe there using typhoon related relief money I believe so

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**Acting chair A. Bordallo:** sir, do you need a percentage

**Joey Cruz, CLTC:** for the board to decide what would be

**Acting chair A. Bordallo:** that's like putting the loan in reserved

**Joey Cruz, CLTC:** it's what we had in reserve to address the loan guarantee, that are existent and what would be approved in the future

**Acting chair A. Bordallo:** what do you recommend to recover the loan

**Joey Cruz, CLTC:** based on our calculations there's an 18.4 recall rate just for SBA, recently 15 to 20 should suffice given that would be a current total aggregate loan amount outstanding is 10.4 million dollars 15% of that will be 1.5 million 20% would be 2 million dollars, that will allow also for the growth but we would still be ok and this percentage will be fluid meaning if things should change economic factors we will bring it up to the board again, it's like it cannot be adjusted. So, 15 to 20% will be an ideal number the board should consider that's what they'll be comfortable with

**Acting chair A. Bordallo:** ok, commissioners any discussions

**Commissioner Garrido:** I feel based on the commitments we have for FY24 that we should go ahead and set the amount for reserved that will go towards the loan guarantee although we have 10 million unfunded liability and possibly another 2 million on top of that because of Mawar, not everybody is going to default all at the same time so this almost 6 million dollars that we have is more than enough to support the loan guarantee, I think 20% is a good amount but you get a million dollars or 6 million dollars we'll just keep that in the trust, that way we have working capital in the loan guarantee for future defaults.

**Acting chair A. Bordallo:** on the administrative side we can always raise it back

**Commissioner Garrido:** later on, if we need to, we can always adjust it up or down

**Acting chair A. Bordallo:** it's the recommendation how the history of guarantee

**Commissioner Garrido:** based on the last 20 years history for defaults towards the SBA. Commissioner Herrera

**Commissioner Herrera:** what they put the letter

**Joey Cruz, CLTC:** September 28

**Commissioner Herrera:** the response is the 28<sup>th</sup>, last week. It was like a day after our last meeting

**Joey Cruz, CLTC:** it was Friday

**Commissioner Herrera:** I did some breakdown and if I knew the number was available since the 28<sup>th</sup> I would have computed in this spreadsheet. You got the first aggregate from 2003, I noted the 10.4, just for you information madam I was here last Friday and I did the audit on this constituents that were on the red line and I did an audit on number 1, number 5, number 9 and number 19 and this is back in 2003 the loan guarantee was required, taking that into consideration again if I knew 4 million

was coming, look at the first column there was 10.4 million and 80% of the performing code was 8.3 million and back then it was basically 20% which is about 2 million, the new SBA Mawar we estimated 2.3, 2.4 million on the 20 constituents. On the next row down here I broke it down, as you noted we were to guarantee the aggregate amount the combined aggregate amount of the 10.4 million from the past SBA and the 2.4 with the current constituent that have had SBA loans approved. We're working on is the 12.8 million which is the last 20 years. Understanding, back then, I kind of broke it down we were cover 25% we're going to need about 3 million, 200 thousand in the bank but right now that you mentioned we have 5.6 million then configuration is just, it threw me off basically because I was considering we only have 1 million from the legislature and the 300 thousand from the past accounts. We were down 5% there, if we need 5% to cover the 4.8 or we need in the reserve or the escrow which is 640 thousand dollars then as you go up 10% we're going to need 1.2 million from 15% coverage will be 1.9 million from 20% coverage it will be 2.5 million up to 25% it will be 2 million but since we have 5.6 we have a lot of room to, and in the last column madam chair, I know in the last meetings we've been kind of signaling in the USDA applicants to maybe check Guam Housing and I did the figure for 240 thousand which is the basic loan that was approved, some of the 20 applicants so, at SBA at 2% is 887 dollars now I hope that Mr. Joe Diego from USDA came and presented the MOU that he's working on and he was configuring to have as low as 1% not more than 3.875% interest, if they were to go with USDA they'll be paying 700 dollars a month, if the constituents earning more based on this portfolio then they'll be paying 1,100 dollars a month now if they go through Guam Housing Corporation they charge 6%, that same constituent that's paying 240 thousand dollars will be paying about 1,500 dollars a month, now that we have this new figure, this new funds. This is the breakdown I have, again it's a day late and a dollar short and if I had the figures last week I would have had a different report, that's the opening 25% and if you agree and it's up to 25% and I would like to thank KGTF madam chair and I understand on the 26<sup>th</sup> we had this meeting and then somehow when you say Friday, some Senators were basically monitoring the program and there's was a bill that came out, it was bill 177-37 that was to, remember it was to open we were having trouble on page 23, we still need to address this because according to page 23, language is still not clear, it's not (inaudible) we still have to break this down, when shall the aggregate amount and remember I was requesting to define what is the aggregate amount assured by the commission not to exceed the ability of the CHamoru loan guarantee fund to reasonably provide security, just based on that language I came out and do this spreadsheet to make it definite and then we go to page, again, that language is very vague very broad it's not definite and when you go to page 32 where it specifically states about the beneficiary loan guarantee fund this is where the language as I mentioned needs to be verified specifically. If I can bring you guys back with, we got to start on the beginning in October or August. Legal counsel is here, remember this is what brought us trying, it wasn't clear, we were discussing what is reasonable would be 1 million, could be 100 million could be 1 million so there's no, this right now based on the aggregate amount then that means we have a (inaudible) amended and verified and the next generation comes or the next typhoon or disaster the explanation on the loan

**Acting chair A. Bordallo:** what's the aggregate amount, no, what's the aggregate amount

**Commissioner Herrera:** what we have in record was 10.4 and then the new 20 is 3.2

**Acting chair A. Bordallo:** 3.2, 2.4

**Commissioner Garrido:** 2.4

**Commissioner Herrera:** so, that's the number we were working on but again we (inaudible) with a meeting with him and all these things were available but there's no clear metrics or clear comparison to say when you have 10 million your loan guarantee fund should be within the colander if we're deciding now if we're going 20%, 25% so the variable here is from 5 to 25% up to 25 and if we have more funds then we'll increase more it can go up more

**Joey Cruz, CLTC:** that's the public law

**Commissioner Herrera:** if you read the public law and you read on page 2, it specifically pares out page 32 which is section 112 of chapter 75a which is underage, underage is the beneficiary loan guarantee loan and that's the language that's not clear and that's the language also on page 23 that got a stop and in event shall the aggregate amount, you were asking what's the aggregate amount so you know the aggregate amount, the next sentence is, the ability of the CHamoru loan guarantee fund. Back in 1975 I checked the research the original loan guarantee was 2 million that was the maximum aggregate amount so we bigger back in 1975 from the late Senator Paul Bordallo. 2 million was the maximum, now we're at 10 million. Is it going to increase the more we make, the more yield to the economy, the more yield to CHamoru land trust, the land that's sitting idle now is a home, generates more water, more power, more consumption of the family, furniture and tables, again back in 1975, the path was 2 million

**Acting chair A. Bordallo:** this bill has not come there yet

**Commissioner Herrera:** no, I understand that but since we already the money coming in the 4 million that we anticipated then, so you mean just with the language

**Acting chair A. Bordallo:** based with this bill we have 12.25%

**Commissioner Herrera:** if we want to apply that but now again

**Acting chair A. Bordallo:** if it becomes law

**Commissioner Herrera:** 50%

**Commissioner Garrido:** we decide, the commission decides what is the reasonable amount?

**Commissioner Herrera:** right now, the reasonable amount we're saying it between this number because right now it's about 6 million

**Joey Cruz, CLTC:** Mr. Herrera calculation is showing if you guys decide 5%, you'll only need to 640 thousand but if you guys decide 20%, you'll need to have 2.5 which you guys will have

**Commissioner Herrera:** understood, that's why I said if I had the numbers last when the letter came, I would have computed a different amount. We have 5.6 million now we can

**Commissioner Garrido:** we'll just leave it

**Commissioner Herrera:** up to you, why not 25, why not 10

**Acting chair A. Bordallo:** no, we have to reserve what? 20%

**Commissioner Herrera:** that's what I'm saying we can go 10, or 5

**Commissioner Garrido:** right now, we need commitment to meet for less than 6 million. We're staying at the 20% bracket where we're comfortable

**Commissioner Herrera:** I motion for 20%

**Commissioner Garrido:** I will feel comfortable with 20% that way we can move forward with the loan guarantee

**Commissioner Herrera:** ok

**Commissioner Garrido:** But, the entire 6 million would stay in a trust and only to be drawn in the event of a default

**Commissioner Herrera:** you see your report Joey, if you guys read the report. Financial report stated that total cash in the bank was 879 thousand less the 500 thousand dollars restricted, this amount can go into the restricted account, that covers that

**Joey Cruz, CLTC:** when we get the funds, the reason why the 500 was restricted was the MOU, nonetheless, the funds, the creation of the beneficiary loan guarantee was restricted to only to pay for those who default and cash out. It's not like we can just have it extend for any other reason.

**Acting chair A. Bordallo:** you want to go ahead and read the rest

**Commissioner Herrera:** the what

**Acting chair A. Bordallo:** this one

**Commissioner Garrido:** is it appropriate to make a motion now

**Acting chair A. Bordallo:** yes, unless you don't feel comfortable. First, get the percentage

**Commissioner Garrido:** my motion would be to allow CLTC provide not less than 20% towards the loan guarantee based on the total unfunded liability that will include SBA and USDA because I don't think we have this problem with Guam Housing. My recommendation will be 20% reserved for our unfunded liability

**Acting chair A. Bordallo:** do you want to add on

**Commissioner Herrera:** no, negative

**Acting chair A. Bordallo:** ok, all in favor say aye

**Commissioner Herrera:** there's only 2 ayes

**Acting chair A. Bordallo:** motion carried

**Commissioner Garrido:** or against. Now we're back, resolved for now madam chair. Can we instruct the administrator to commence in processing the loan guarantees for Mawar victims



**Attorney Finney:** I don't see anything that would stop you from doing that now if you already have the funds. You just made your motion, you've decided that it was, you had the reasonable assurance that you can secure them.

**Joey Cruz, CLTC:** would it based on what was provided previously?

**Attorney Finney:** you're talking about that funds that are coming in through the Governor's response and the legislature right

**Joey Cruz, CLTC:** no, can they action on the 20 that's been provided to them from the previous meeting

**Attorney Finney:** what they're asking is for the staff to process the loan, I don't know if they have the information to make the decision on each one of them but it sounds like you guys can process them

**Joey Cruz, CLTC:** they won't be able to sign to approve the 20, not at this meeting

**Attorney Finney:** right, unless, what you had on your agenda that you were going to discuss the update of the loan guarantee situation but it sounds like that situation is resolved now and that you can move forward in processing but if they have to decide on each one of them and I'm not sure right off if they can blanket approve without considering the specific request going to be considered or if that is the intention

**Commissioner Garrido:** well, the loan has already been approved by SBA, it's just pending the loan guarantee from CLTC so we're not processing the loan, we're processing the approval on CLTC side for the loan guarantee

**Attorney Finney:** I don't know if there are any other factors, you're considering in processing your approval such as whatever the circumstances of each of the applicants are

**Commissioner Garrido:** right now, the focus is the pending loan guarantee and the only pending loan guarantee are the victims of Mawar. We have from Mawar 20 applicants or 20 individuals awaiting CHamoru land trust loan guarantee on a loan that they have already qualified from SBA

**Attorney Finney:** I understand they qualified through SBA, I guess the question is more directed through the acting director if there's any other circumstances they need to consider or if they're ready to have all those loans approved or if there's anything else the commission needs to consider

**Commissioner Garrido:** I would assume that the acting director will review each of those cases on the one-by-one bases, he's not going to do a mass approval, he's going to make sure the t's are crossed and the i's are dotted.

**Attorney Finney:** that's all I was saying

**Joey Cruz, CLTC:** I think maybe the concern is because in the past a loan, a constituent came in for a loan guarantee, we provided you guys with a staff report just to ensure you guys are aware if there's any anomalies within the lease and all that stuff so, we will follow that process still and maybe next agenda for October 19, we can individually place everybody if the records are ready on the agenda, one of the main focus is getting them all approved if that's what the board should decide

**Commissioner Herrera:** if I may, if you get the loan on the first month, it's broken down into 3 sections. Home construction, demolition, and clean out so of course some of the factor's attorney Finney is saying should we cover all of it or just the home loan or the construction. Of course, our target is the construction of the home, we cannot just do a blanket to approve

**Commissioner Garrido:** we cannot do personal property

**Joey Cruz, CLTC:** we just have to make sure too that our loan guarantee makes mention that it's strictly for only this amount and only specifically for the real estate

**Commissioner Garrido:** excluding personal property

**Commissioner Herrera:** and that bill 177-37 specifically parses that out

**Joey Cruz, CLTC:** we can also place this bill on the next agenda so you guys can discuss in more depth, we've move in that direction, we'll instruct the staff to prepare, I believe not all maybe some reports have been prepared, the staff have been working on it already, the staff report. We'll make mention to director Taijeron if the board would like to place all 20 on the next agenda for the October 19 meeting, we will also inform her you guys' desire to the next agenda

**Commissioner Garrido:** I'm good with that

**Acting chair A. Bordallo:** they've been waiting

**Commissioner Garrido:** they've been waiting too long already

**Joey Cruz, CLTC:** we will also request with Ms. Taijeron to place bill 177-37 also on the agenda. I believe they were a couple of other bills that have been introduce, the solar farm, relating to the solar farm and the endowment fund and if it's okay with you guys too we'll place that on the bill because we're going to require to say it on the agenda for October 19. Madam chair we'll move to the legal counsel discussion

**Acting chair A. Bordallo:** yes, it's number 9

**Attorney Finney:** you're just looking for a update on these items when I met with the opposing counsel, I just want to clarify if that's what you're asking

**Commissioner Garrido:** what's your question again

**Attorney Finney:** you just want an update on those these items when I talked to the other attorney on these

**Commissioner Garrido:** the target points are the Guam racing federation, Ko'ko and Ta'ta communications

**Attorney Finney:** ok, with the Ta'Ta communications, there we some issues to clarify regarding the status of what's existing now and trying to understand trying to go back I guess and bring what they have now with the law that was passed, they had an existing facility and agreement and it sort of overlapped when the law was passed that said how these agreement should be handled and we got that straightened out I believe we're just waiting for signatures for that, can you confirm that Joey

**Joey Cruz, CLTC:** we're waiting on Ta'Ta' communications to return (inaudible) by their representative

**Attorney Finney:** and for the Guam racing federation, there requesting for a license agreement that would allow them to continue to use the property while the agreement is worked out, I discussed this and the other, ko'ko, just so that you guys know, I discussed with the deputy over the civil division and it's seen a way, with the ko'ko what they're asking for is they wanted to have an agreement where they could lease out additional, they have an existing lease and wanted to lease out an additional piece of property and with both of these, we really don't see a way around the process that's already been laid out in the law, where you guys can put any property that you want to lease out for a bid under a competitive process. I just don't how you can get around that law for either of these.

**Commissioner Garrido:** I'm not very clear, personally I didn't see any real paperwork on Ko'ko, so I can't make a decision based on something that I have not looked at

**Attorney Finney:** there was just discussion about, they wanted to see about leasing another piece of property, like I guess to incorporate into their existing lease and what I'm saying back I don't see how the commission can lease any property any commercial property in any manner other than what the law already provides for

**Commissioner Garrido:** I thought we were going to discuss the relationship with Ko'ko and Global. I think ko'ko is asking for that property without Global

**Attorney Finney:** the relationship there is I guess that's the property that Ko'ko is asking about leasing is the property that Global is currently on, they were wanting to see if they were able to lease that property using an arrangement that they have that is allowing them to lease a different piece of property, it's not actual cash payment to the commission, they're applying these credits that the commission agreed to accept as payment but they wanted to add that piece of property where Global is and I just don't see how the commission could just decide, ok, we're going to lease this property to Ko'ko or we're going to lease this property to anybody without putting it through that competitive process and giving anybody who wants a chance to bid on it that opportunity

**Commissioner Garrido:** that last statement you made that concur with, I we're going to do any additional land use, we have to go through the procurement process and we cannot just award it out. The whole ko'ko thing is very conge luted there's no real clear details on how they were able to get an hand up over the CLTC because like they're not going to be paying us it's like a deduction on their credit so I would like to know how that transpired from the beginning.

**Attorney Finney:** its my understanding that the staff is still putting together a comprehensive report kind of what they did with the racing federation property, that they're putting together a report on that, maybe Joey can confirm that they're working on that

**Commissioner Garrido:** back then also there was a relationship with Ko'ko and Global and I think from there things went hair wire.

**Attorney Finney:** I think all of that will be reflected in that report but I believe it's still being compiled as in my understanding it's not complete yet

**Commissioner Garrido:** ok, we'll turn that over to Joey for now until the director gets back

**Acting chair A. Bordallo:** can we get an accounting, the last time Ko'ko came to the meeting they said they had millions of dollars, I like to know how did they get it

**Joey Cruz, CLTC:** we won't be able to, even with the information readily available to us, when we were researching the whole issue before we had requested the bill of lading that still wouldn't come up to amount of 7.2 million dollars but what was available was that 7.2 million dollar credit was awarded to the license that was granted to Ko'ko recycling so that's how but how it derived to that number we can try but we just want to show you that's maybe 90% done of the ko'ko recycling research that we're doing but we will provide it as soon as it's completed

**Commissioner Garrido:** did you hear that Kris

**Attorney Finney:** I have seen some of what there putting together but, again it's still work in progress there not complete with their report yet but I think the intention is to provide that to the commissioners as soon as they finish researching everything

**Commissioner Garrido:** I think they may need your assistance in that Kris, is because the better word is to assist the staff in compiling a detailed report they will need to be some sort of discovery pulling from the information from Ko'ko because I don't know how they got a 7 million credit, the commissioners here would like to know who got behind the eight ball on that they came on top of the eight ball with 7 million dollars, it's very Cong eluded I think the staff here is going to need legal assistance in acquiring the necessary documents because I read bits and pieces also but it still doesn't feel right

**Commissioner Herrera:** I have a question, Global has been occupying that 12-acre lot with no rent what do we do? They been there for 12 years

**Attorney Finney:** it was a little bit hard to hear you, you're asking Global occupying that property

**Commissioner Herrera:** occupancy that 12-acre property

**Commissioner Garrido:** they have no lease; they have no license from us

**Joey Cruz, CLTC:** that's correct

**Commissioner Herrera:** they've been there for almost 10 years now

**Attorney Finney:** sorry, as far as Global occupying the property it's still something we're looking at

**Commissioner Garrido:** that seems to be a hot issue right now like commissioner Herrera said they're not paying any monthly rental for use of the property, how they got there we're not even clear how they got there in the first place but there was a relationship between Global and Ko'ko and if you line up the ducks, they seem to be in it together until they weren't anymore but Global kept control of the property

**Attorney Finney:** as far as I know Ko'ko's on a different piece of property, it's not the same property Global is occupying

**Commissioner Garrido:** there's some records that show their there because of Ko'ko I believe, they didn't one day just show up on that side and start my operation here, it was through an arrangement with Ko'ko

**Attorney Finney:** I think when the report, the staff is working on is complete we'll be able to see through those documents and we can discuss it, I think it'll better when the reports are all completed and we all have those items in front of us then we can go through them and discuss it

**Commissioner Garrido:** I still feel that the staff will need your experience and knowledge as an attorney to help them acquire the necessary documents from Ko'ko

**Attorney Finney:** I will work with them

**Commissioner Garrido:** ok, we should make that a red hot like commissioner Herrera said, they're occupying the property without paying for it

**Attorney Finney:** right

**Commissioner Garrido:** Kris, I have another question for you please it's back to the Guam raceway, did you read the letter they sent us I think last week or two weeks ago to your temporary use of the property, Kris are you online

**Attorney Finney:** I'm here, I'm really sorry I'm not present there, I hope Joey told you guys

**Commissioner Garrido:** yes, he did

**Attorney Finney:** that's the reason I'm not there, hope you can forgive me. They wanted to occupy the property temporarily and I don't see where you have the authority around or outside what's provided for in the law how you can lease out the property for commercial use. We can continue to look at it but with just like the top there's no provision to just let you guys lease out your property or license out your property on a short-term bases like that, everything directs you back to that law on commercial leases and licenses.

**Acting chair A. Bordallo:** Mr. Cruz, when will be RFP on the Guam raceway federal be ready

**Joey Cruz, CLTC:** we'll try and get it out in a couple weeks, there's a process we need to complete and determination is a document that needs to be forwarded to the legislature but we'll try to get the tract out in a couple of weeks

**Commissioner Garrido:** Kris and Joey, does the RFP need to be approved by the legislature?

**Joey Cruz, CLTC:** no, it's just part of the process when we are commercially leasing that a determination document needs to be completed in the event that they may request for an exception term lease anything over 25 years

**Attorney Finney:** it's already approved by the legislature in that there's a law on how you have to lease that property out then specific to that raceway property there's a separate law that tells you how you can do it and both of those, it's not the RFP that has to be approved by the legislature but I'm not looking at the law right now it's not in front of me but it's possible that it will have to be approved by them

**Commissioner Garrido:** that's if we go through long term lease, isn't the CLTC mandated that they can't approve the lease or license up to 20 years I believe that I read

**Joey Cruz, CLTC:** 25 for a lease, 21 for a license

**Commissioner Garrido:** the legislature gave us permission to go ahead an lease it out for 50 years but maybe we don't need the 50 years and if we stay within our mandate then we don't need to go to the legislature for them to tell us what to do and how to do it like they did initially with the raceway

**Attorney Finney:** it's already there in the law, so, you just have to follow that process that's in the law

**Commissioner Garrido:** the law that they passed said that we can lease it for 50 years, what I'm saying is we don't need to lease it for 50 years, we're allowed 20 or 21 years of license and 25 years on a lease where we will be furnishing the terms of the lease and everything where we don't have to go to the legislature because it's within our mandate

**Attorney Finney:** if the law says that the legislature has to approve the lease then you would have to go back to them once you have one but I'm not looking at it now, I'm not sure

**Commissioner Garrido:** can you give us a word when you have the documents in front of you

**Attorney Finney:** Yes

**Commissioner Garrido:** I think that's it for now for me, commissioner Herrera, any questions for legal

**Commissioner Herrera:** you're still there

**Attorney Finney:** yes, I'm still here

**Commissioner Herrera:** How do we make the motion to have another meeting to put the constituents in the agenda to officially and legally accelerate the process forward for the loan guarantee, do we have to wait for the 3<sup>rd</sup> Thursday

**Attorney Finney:** I think your next meeting is coming up in a couple of weeks so I don't think you need to do a special meeting; I think you can just include them on your next agenda

**Commissioner Herrera:** I understand, just because of the inclement weather and all these things, can we accelerate it

**Commissioner Garrido:** can we have a special meeting?

**Commissioner Herrera:** Yes

**Attorney Finney:** you can but just you should know that the requirements to have a special meeting are there are some additional

**Commissioner Garrido:** yes, there are timelines that have to be met, that's true.

**Attorney Finney:** If you're going to do all of that you're probably going to end pretty close to your next meeting date anyway so, I'm just suggesting you might just consider putting it on your next agenda

**Commissioner Garrido:** these people are living out in the elements and commissioner Herrera concern is that we're in the beginning of the rainy season and you see the down pours we've had lately and their walking on dirt floors and living under a tent so water is coming in, it's just a rope

**Attorney Finney:** you can have a special meeting, make sure all of the notice requirements for a special meeting are met

**Joey Cruz, CLTC:** we now need to determine a date

**Commissioner Herrera:** the 3<sup>rd</sup> Thursday will be on the 19<sup>th</sup>

**Acting chair A. Bordallo:** on this meeting is coming up, what do you need to do, the 20

**Commissioner Garrido:** how soon can we have a special meeting?

**Joey Cruz, CLTC:** we'll verify how many staff reports have been completed already, let me just go back and check really quick

**Commissioner Garrido:** our concern Joey, even if we don't have all 20 prepared, at least we can process what (inaudible) because the sooner we get them the loan guarantee, the sooner they can start their reconstruction

**Acting chair A. Bordallo:** what you could do is, approve it and ratify and just go down the list

**Commissioner Herrera:** approve it and then

**Acting chair A. Bordallo:** yes, the 20

**Joey Cruz, CLTC:** we can list all 20, do it like how you've been doing it, recess then

**Acting chair A. Bordallo:** basically, it just that form to fill out and give it to the customer

**Commissioner Herrera:** you have to signature, probably have to sign

**Acting chair A. Bordallo:** I have

**Joey Cruz, CLTC:** the board is requesting to have a special meeting, please correct me if I'm wrong, we can name all 20 and if in the event your unable to complete all 20 reports we can address however many and then recess, Kristen is that possible?

**Attorney Finney:** Yeah, I just again we'll just point out that you have to make sure you meet the additional notice requirements

**Commissioner Herrera:** that one week before, today's the 3<sup>rd</sup> so, one week from now would be, to advertise it in the paper

**Joey Cruz, CLTC:** should be there some kind of certification to that effect that's needed to justify the special meeting

**Attorney Finney:** I don't so, you just have to meet the extra notice requirements

**Commissioner Herrera:** Section 103, it's on C, commission shall meet regularly on 3<sup>rd</sup> Thursday of every month or more often as determined by the chairperson of the commission, it's on page 10 of your bible

**Commissioner Garrido:** Ms. chairman, it's at your discretion

**Joey Cruz, CLTC:** we're just verifying about the publication of meeting the requirement of the open-door meeting

**Commissioner Garrido:** otherwise, it's not a meeting

**Acting chair A. Bordallo:** before we go on recess, can you announce the names on the 20 and if it's approved by us, it's not part of the loan guarantee

**Commissioner Garrido:** can we disclose the names of the applicant

**Attorney Finney:** I think isn't that a normal practice to do that

**Commissioner Garrido:** no, for the publication, do we have to publish their name or do we just publish that we're going to discuss the loan guarantee for 20 applicants

**Attorney Finney:** I think you have to identify them some way like you could at least their property description

**Joey Cruz, CLTC:** Kristen, I just reviewed the notices for the notice of special meeting from the GCA, we still need to publish 5 working days, give public notice 5 working days and a 2<sup>nd</sup> notice for 8 hours

**Attorney Finney:** right, there's two sections, are you looking at 5GCA chapter 8 8107B and also you want to look at 8108, that's where it says notice shall be given to each newspaper of general circulation and broadcasting station that airs a regular news program within Guam

**Joey Cruz, CLTC:** then again, it's the 5 working days and 48 hours

**Attorney Finney:** right, increase notification requirements, I just want to make sure you guys are aware of that, that's all

**Joey Cruz, CLTC:** it says the notice of the 5 days and the 48 hours may be waived in the event in an emergency certified to in writing by a public agency. It says the 5-day notice and the 48 hours' notice may be waived in the event of an emergency certified to in writing by a public agency

**Commissioner Herrera:** who can certify an emergency, Kristen

**Attorney Finney:** I'm not, honestly, I'm not sure how to advise you on that if you're trying to, if you're saying that an emergency exist that is not a decision, I can make for you

**Commissioner Herrera:** it's just because we're considering the disaster category



**Joey Cruz, CLTC:** if we can't make it an emergency

**Commissioner Garrido:** who can deem it an emergency

**Joey Cruz, CLTC:** Kristen, who can deem it an emergency? Or certify it

**Commissioner Garrido:** who can certify an emergency? The Governor?

**Joey Cruz, CLTC:** to waive the requirements

**Commissioner Herrera:** the Governor can declare an emergency (inaudible)

**Attorney Finney:** I don't know if there's an emergency that exist right now, I think we're outside of that emergency declaration

**Commissioner Herrera:** these guys are covered under the Federal emergency management agency based on the declaration of the United States president

**Attorney Finney:** I'm really not sure, I can look into it, I'm like right at this moment I can't tell you whether or not this qualifies. For example, I don't know if emergency is defined in here and if we need to look into a declaration of an emergency or if there's other circumstances that would, I just don't know, I don't want to tell you something that's doesn't reflect the state of the law so that's why I need to look into it a little bit before I could

**Commissioner Herrera:** the 5 calendar days, we can start tomorrow

**Joey Cruz, CLTC:** if we get the publication tomorrow, if we get it to them tomorrow it won't be published until Thursday

**Commissioner Herrera:** ok, that would be the 5<sup>th</sup>

**Joey Cruz, CLTC:** not including weekends, until the 11<sup>th</sup> that's 5 days prior to if we hold the meeting on the 12<sup>th</sup>

**Commissioner Herrera:** let's hold it before the regular (inaudible) which would be better than a week late. So, target will be the 12<sup>th</sup>

**Joey Cruz, CLTC:** Yes, if that's what the board wants to

**Commissioner Herrera:** based on the time line, the 5 and the 24

**Joey Cruz, CLTC:** 5 and 48

**Commissioner Herrera:** 48, (inaudible)

**Joey Cruz, CLTC:** Kristen, just reviewing the dates we'll meet the 5- and 48-hour requirement right if it's published on Thursday the 5<sup>th</sup> and the meeting is on the 12<sup>th</sup>, the 5 and the 10<sup>th</sup> we publish

**Attorney Finney:** Yeah, 5 working days, again, you make sure you notice to everybody not just one

**Joey Cruz, CLTC:** meaning giving notice we have to publish in all

**Attorney Finney:** yeah, you have to give written notice that you delivered personally or by mail to each newspaper in general circulation an broadcasting station which airs local news program within Guam

**Joey Cruz, CLTC:** general circulation to our understanding there's only one newspaper company that does general circulation

**Attorney Finney:** ok, and also, in any broadcasting that airs regular local news program so you guys just need to make sure, it's not like either or it's everything

**Acting chair A. Bordallo:** can we take a 5-minute break

\*\*\*\*\* 5 Minute Break \*\*\*\*\*

**Acting chair A. Bordallo:** we're resuming meeting

**Commissioner Garrido:** when we recess, we're looking at having a special meeting and right now we're looking at the 15<sup>th</sup>

**Acting chair A. Bordallo:** the 12<sup>th</sup>

**Dexter Tan, CLTC:** we follow the 5 days and 48 hours, the 12<sup>th</sup>

**Joey Cruz, CLTC:** the 12<sup>th</sup>, if we get it out by tomorrow published Thursday and everybody in informed, all the broadcasting been informed by Thursday and it will be the 12<sup>th</sup> but, just know not all the reports of the constituents will be ready.

**Acting chair A. Bordallo:** we're going to discuss the 20

**Joey Cruz, CLTC:** we will publish on the publication all 20 but necessarily you guys will be able to decide on all 20 maybe only 2 or 3 and it will be in the order on how we received request

**Acting chair A. Bordallo:** so, you want to read that and go back on October 12<sup>th</sup>

**Joey Cruz, CLTC:** No, in order to change the agenda, you need to adjourn

**Acting chair A. Bordallo:** that's what I'm trying to find out. And so, we want to adjourn until

**Commissioner Garrido:** waiting for the motion now

**Acting chair A. Bordallo:** is that meeting for October 19<sup>th</sup>

**Joey Cruz, CLTC:** before we, can we consult attorney Finney just to make sure we're all in line

**Commissioner Garrido:** Kris, have you been hearing everything?

**Attorney Finney:** you're going to adjourn this meeting and you're going to call a special meeting for October 12 at what time

**Acting chair A. Bordallo:** 1 o'clock

**Commissioner Garrido:** 1 o'clock

**Attorney Finney:** ok

**Commissioner Garrido:** does that cut the muster Kris?

**Attorney Finney:** it's Kristen, but again as long as you meet the notice requirements

**Commissioner Garrido:** madam chair, I would like to make a motion that we adjourn for today and schedule a special for the 12<sup>th</sup> at 1 o'clock

**Commissioner Herrera:** I second the motion

**Acting chair A. Bordallo:** all in favor say aye

**Commissioner Garrido:** aye

**Commissioner Herrera:** aye

**Acting chair A. Bordallo:** motion carried

\*\*\*\*\* Meeting Adjourned \*\*\*\*\*