

**21 GCA REAL PROPERTY  
CH. 79 RESTORATION OF HAGÁTÑA**

**CHAPTER 79  
RESTORATION OF HAGÁTÑA**

**SOURCE:** Chapter 79 was added to this title by P.L. 24-110:2.

- Article 1. Hagatña Restoration and Redevelopment.
- Article 2. Declaration of Policy.
- Article 3. Establishment and Plan.
- Article 4. Bonds.
- Article 5. Real Property Tax on Improvements.
- Article 6. Guam Capitol District.

**ARTICLE 1  
HAGATÑA RESTORATION AND REDEVELOPMENT**

- § 79101. Name of Act.
- § 79102. Definitions.
- § 79103. Projects Included in Restoration and Redevelopment.
- § 79104. Continuance of Existing Buildings.

**§ 79101. Name of Act.**

This Act may be known as the, *Hagatña Restoration and Redevelopment Act*.

**§ 79102. Definitions.**

For the purposes of this Chapter:

(a) *Authority* means the Restoration and Redevelopment Authority created by this Act.

(b) *Hagatña* means the Municipality of Hagatña as defined in § 403 of Title 1 of the Guam Code Annotated.

(c) *Restoration and Redevelopment*. Restoration and Redevelopment means the planning, development, replanning, redesign, clearance, reconstruction, or rehabilitation, or any combination of these, of all Hagatña, and the provision of such residential, commercial, industrial, public, or other structures or spaces as may be appropriate or necessary in the interest of the general welfare, including recreational and other facilities incidental or appurtenant to them.

**§ 79103. Projects Included in Restoration and Redevelopment.**

Restoration and Redevelopment include:

(a) The alteration, improvement, modernization, reconstruction, or rehabilitation or any combination of these, of existing structures in Hagatña.

(b) Provision for open-space types of use, such as streets and other public grounds and space around buildings, and public or private buildings, structures and improvements, and improvements of public or private recreation areas and other public grounds.

(c) The re-planning or redesign or original development of areas in Hagatña as to which either of the following conditions exist.

(1) The areas are stagnant or improperly utilized because of defective or inadequate street layout, faulty lot layout in relation to size, shape, or accessibility, or usefulness, or for other causes.

(2) The areas require re-planning and land assembly for reclamation or development in the interest of the general welfare because of widely scattered ownership, tax delinquency, or other reasons.

**§ 79104. Continuance of Existing Buildings.**

Restoration and Redevelopment do not exclude the continuance of existing buildings or uses whose demolition and rebuilding or change of use are not deemed essential to the redevelopment and rehabilitation of Hagatña.

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**ARTICLE 2  
DECLARATION OF POLICY**

§ 79201. Reasons for Necessity of Decent Housing and Genuine Employment Opportunities.

§ 79202. Fundamental Purpose of Redevelopment.

**§ 79201. Reasons for Necessity of Decent Housing and Genuine Employment Opportunities.**

**21 GCA REAL PROPERTY**  
**CH. 79 RESTORATION OF HAGÁTÑA**

The Guam Legislature finds and declares that decent housing and genuine employment opportunities for all the people of Guam are vital to the Guam's future peace and prosperity, for all of the following reasons:

(a) Hazardous, congested and unsanitary housing debilitates occupants' health to the point of impairing motivation and achievement.

(b) Lack of employment opportunity creates despair and frustration which may precipitate violence.

(c) Unfit housing and lack of employment opportunity depend on each other to perpetuate a system of dependency and hopelessness which drains Guam of its valuable financial and human resources.

**§ 79202. Fundamental Purpose of Redevelopment.**

The Guam Legislature further finds and declares that a fundamental purpose of redevelopment is to expand the supply of low- and moderate-income housing, to expand employment opportunities for jobless, underemployed, and low-income persons, and to provide an environment for the social, economic, and psychological growth and well-being of all citizens.

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**ARTICLE 3**  
**ESTABLISHMENT AND PLAN**

§ 79301. Establishment.

§ 79302. Hagatña Restoration and Redevelopment Plan.

§ 79303. Powers and Duties of the Authority.

§ 79304. Approval by the Governor and the Guam Legislature.

**§ 79301. Establishment.**

There is within, and a public corporation and autonomous instrumentality of, the government of Guam, the "HAGATÑA RESTORATION & REDEVELOPMENT AUTHORITY." The powers, rights, privileges, functions and duties of the Authority shall be vested in seven (7) Commissioners. The Commissioners shall be appointed by the Governor by and with the advice and consent of the Guam Legislature, to serve for a term of five (5) years.

**21 GCA REAL PROPERTY**  
**CH. 79 RESTORATION OF HAGÁTÑA**

(a) Before taking office or entering on duty, each Commissioner, as well as each employee of the Authority, shall take the oath of office required of all officers and employees of the government of Guam.

(b) Any Commissioner may be removed by the Governor for inefficiency, neglect of duty or misconduct in office, after a hearing before the Governor or a hearing officer specially designated by him for the purpose.

(c) A Commissioner shall receive no compensation for his services, but shall be entitled to payment of official travel costs and reimbursement of expenses actually and necessarily incurred in the discharge of his duties and functions.

(d) The Governor shall designate a Chairman and Vice-Chairman from among the Commissioners. The Commissioners shall constitute the Board of Commissioners of the Authority. The Board may employ an Executive Director of the Authority who shall serve at the pleasure of the Board, technical experts, such other officers, agents and employees, permanent and temporary, as it may deem necessary, and shall determine their qualifications, duties, tenure and compensation. For such legal service as it may require, the Authority may employ or retain its own counsel and legal staff. The Authority may delegate to one (1) or more of its officers, agents or employees, such powers and duties as it may deem proper. The Board shall adopt personnel rules pursuant to 4 GCA §4105 and §4106.

(e) Four (4) Commissioners shall constitute a quorum of the Board of Commissioners of the Authority for the purpose of conducting the business of the Authority and exercising its powers, and for all other purposes. A vote of the majority of Commissioners present at any meeting of the Board shall prevail.

(f) Non-voting ex-officio members shall include representatives from the Department of Parks and Recreation, the Richard F. Taitano Micronesian Area Research Center, the Chamorro Language Commission, the Department of Land Management and the Guam Preservation Trust. These members shall provide technical assistance to insure accuracy in the development of the Plan.

**§ 79302. Hagatña Restoration and Redevelopment Plan.**

The Authority shall develop a Plan (the "Plan") to carry out the purposes of this Chapter, which shall include the planning, preparation, development, construction, acquisition, lease, disposition, reconstruction,

**21 GCA REAL PROPERTY**  
**CH. 79 RESTORATION OF HAGÁTÑA**

improvement, alteration, extension, repair, maintenance and operation of the Hagatña Restoration and Redevelopment Project (the "Project"); shall include the terms and conditions for the reuse of the properties; shall include standard of eligibility for ownership or occupancy of housing, dwellings and facilities; shall include installation, construction or reconstruction of streets, utilities, parks, playgrounds and other public improvements. In developing the Plan, the Authority is authorized to conduct surveys, appraisals, soundings, test borings or any other technical investigations.

**§ 79303. Powers and Duties of the Authority.**

The Authority shall have all the powers necessary and convenient to carry out and perform the purposes and provisions of this Chapter, except the power to levy and collect taxes or special assessments, including the following, in addition to other powers granted in this Article, and may:

- (1) sue and be sued;
- (2) have a seal and modify it;
- (3) enter into and execute contracts and instruments of every kind and nature, necessary or convenient to the exercise of its powers and functions;
- (4) make, and from time to time modify and repeal, bylaws, rules and regulations, not inconsistent with this Article, providing for the internal organization and management of the Authority, for the administration of its affairs and operations, and for carrying into effect the powers and purposes of the Authority;
- (5) borrow money from public and private sources and give such security therefor as may be required;
- (6) apply for and accept advances, loans, grants, contributions, gifts, donations, appropriations of funds and any other form of financial assistance from the Federal Government, the government of Guam, or other public body of agency, or from any sources, public or private, for the purposes of this Article, and enter into and carry out contracts in connection therewith;
- (7) deposit funds in banking institutions which are members of the Federal Deposit Insurance Corporation;

**21 GCA REAL PROPERTY**  
**CH. 79 RESTORATION OF HAGÁTÑA**

(8) invest funds in property or securities approved for investment by the Federal Government or the government of Guam;

(9) therein, by lease, option, purchase, gift, grant, donation, appropriation, bequest, devise or by the exercise of eminent domain or otherwise;

(10) own, hold, improve, clear or prepare for redevelopment any such property;

(11) sell, lease, exchange, transfer, assign, mortgage, pledge or otherwise dispose of, or encumber any real or personal property, or any interest or estate in such;

(12) acquire by condemnation any interest in real property, including a fee simple title thereto, which the Authority may deem necessary for, or in connection with, any project under this Article; provided, that as a condition to the exercise of the power of eminent domain to acquire any real property or interest therein which the Authority may deem necessary for its purposes under this Article, the Authority shall first adopt a resolution finding and declaring that the acquisition of such property is necessary for such purposes;

(13) exercise the power of eminent domain in the manner now or which may be hereafter provided by law for the exercise of such power by the government of Guam, except that the complaint in eminent domain proceedings shall be brought in the name of and on behalf of the Authority as plaintiff and title to the property shall vest in the Authority;

(14) notwithstanding any other provision of law, to establish zones and boundaries, after public hearing, regulating buildings and structures and the nature and extent of their use, so that the Project may be developed in an orderly manner in accordance with the Plan.

(15) provide or arrange or contract for the furnishing or repair by any person or agency, public or private, of services, privileges, works, streets, roads, public utilities or other facilities of every kind and nature, for and in connection with the preparation, planning, development, construction, operation and disposition of the Project;

(16) install, construct and reconstruct streets, utilities, parks, playgrounds and other public improvements;

**21 GCA REAL PROPERTY**  
**CH. 79 RESTORATION OF HAGÁTÑA**

(17) insure or provide for the insurance, in any stock or mutual company or any public or private insurance facility, of any real or personal property or operations of the Authority, against any risks and hazards;

(18) cooperate with, and participate in activities of local, regional or national agencies, organizations, institutions or other official or unofficial bodies engaged in the same related fields;

(19) lease any dwellings, accommodations, land, structures or facilities embraced in the Project;

(20) clear or prepare any property owned by it for redevelopment, conservation or rehabilitation;

(21) make such expenditures, subject to the provisions of this Article or any other applicable law, regulation or restriction, as may be necessary for the activities and operations of the Authority and carry out the purposes of this Article; and

(22) conduct examinations and investigation on any matters material to the functions or operations of the Authority.

**§ 79304. Approval by the Governor and the Guam Legislature.**

The Authority shall submit the Plan to the Governor who, if he approves the same, shall transmit the Plan to the Guam Legislature in the form of a bill for adoption, amendment, modification or rejection by the Guam Legislature. Such Plan shall not be effective until either approved by statute or it shall have complied with the provisions of this law and forty-five (45) calendar days have elapsed from the date of receipt by the Guam Legislature of its transmittal, and two (2) legislative days have elapsed after the elapse of the forty-five (45) calendar days. The Legislative Secretary may request that the Authority submit all or part of the record of any public hearings on the Plan. The Guam Legislature may approve, disapprove or amend said Plan so transmitted within the combined period of the forty-five (45) calendar days and two (2) legislative days.

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**ARTICLE 4**  
**BONDS**

§ 79401. Issuance of Bonds, Terms and Conditions Generally.

**21 GCA REAL PROPERTY**  
**CH. 79 RESTORATION OF HAGÁTÑA**

§ 79402. Maturity of Bonds; Interests; Sale; Validity; Actions Involving Bonds.

§ 79403. Powers of Authority with Respect to Bonds or Obligations.

§ 79404. Rights of Obligee.

**§ 79401. Issuance of Bonds, Terms and Conditions Generally.**

(a) The Authority shall have the power to issue bonds, from time to time, in its discretion, for any of its corporate purposes. The Authority shall also have power to issue refunding bonds for the purpose of paying or retiring bonds previously issued by it. The Authority may issue refunding bonds for the purpose of paying or retiring bonds previously issued by it. The Authority may issue such types of bonds as it may determine, including, without limiting the generality of the foregoing, bonds on which the principal and interest are payable exclusively from the income and revenues of the Project, or from its revenues generally.

(b) Any such bonds may be additionally secured by a pledge of any loan, grant or contribution, or parts thereof, from the Federal Government or other sources, or a pledge of any income or revenue of the Authority, or mortgage of any project, or part thereof, or other property of the Authority.

(c) Neither the Commissioners of the Authority nor any person executing the bonds shall be personally liable on the bonds by reason of the issuance of the bonds.

(d) The bonds and their obligations of the Authority shall not be a debt of Guam and in no event shall such bonds or obligations be payable out of any funds or properties other than those of the Authority, and they shall not constitute an indebtedness within the meaning of any debt limitation or restriction.

(e) Bonds of the Authority are declared to be issued for an essential public and governmental purpose and, together with interest thereon and income therefrom, are exempt from all taxes. The provisions of this Article exempting from taxation the Authority, its Property, and its bonds and interest thereon and income therefrom, shall be considered part of the security for the repayment of the bonds and shall constitute, by virtue of this Article and without necessity of being restated in the bonds, a contract between the bondholders, and each and everyone of them, including all transferees of said bonds from time to time, on the one hand, and the Authority and Guam on the other.

**§ 79402. Maturity of Bonds; Interest; Sale; Validity; Actions Involving Bonds.**

(a) Bonds of the Authority shall be authorized by its resolution, may be issued in one (1) or more series and shall be offered, awarded and executed in such manner, bear such date or dates, mature at such time or times, bear interest at such rate or rates, not exceeding the most recently published rate at which the U.S. Department of Treasury sells its treasury bills per annum, be in such denomination or denominations, be in such form, bearer, order, coupon or registered, carry such conversion or registration privileges, have such rank or priority, be payable in such medium of payment, at such place or places, and be subject to such terms of redemption, with or without premium, as such resolution of the Authority, trust indenture or mortgage may provide, and shall be fully negotiable.

(b) The bonds may be sold at a public or private sale at not less than par.

(c) In case any of the Commissioners or officers of the Authority whose signatures appear on any bonds or coupons shall cease to be such Commissioners or officers before the delivery of the bonds, their signatures shall, nevertheless, be valid and sufficient for all purposes, the same as if the Commissioners or officers had remained in office until such delivery.

(d) In any suit, action or proceeding involving the validity or enforceability of any bond of the Authority or the security therefor, any such bond reciting in substance that it has been issued by the Authority to aid in financing a project as defined in this Article, shall be conclusively deemed to have been issued for such purpose, and the project shall be conclusively deemed to have been planned, located and carried out in accordance with the purposes and provisions of this Article.

(e)(1) When the Authority sells bonds at a private sale, no person standing in a fiduciary relationship with the Authority shall purchase any of the bonds.

(2) As used in this Subsection, "person" means a natural person, corporation, partnership, trust or the employer of a natural person.

(3) If the provisions of this Subsection are violated, then the sale of the bonds to the violating person shall be deemed null and void ab initio.

**§ 79403. Powers of Authority With Respect to Bonds or Obligations.**

**21 GCA REAL PROPERTY**  
**CH. 79 RESTORATION OF HAGÁTÑA**

In connection with the issuance of bonds or the incurring of obligations, and in order to secure the payment of such bonds or obligations, the Authority, in addition to its other powers, may:

(1) pledge all or any part of its gross or net rents, fees or revenues, to which its right then exists, or may thereafter come into existence;

(2) mortgage all or any part of its real or personal property, then owned or thereafter acquired;

(3) covenant against pledging all or any part of its rents, fees and revenues, or against mortgaging all or any part of its real or personal property, to which its right or title then exists or may thereafter come into existence or against permitting or suffering any lien on such revenues or property; covenant with respect to limitations on its right to sell, lease or otherwise dispose of any project or any part thereof; and covenant as to what other, or additional debts or obligations may be incurred by it;

(4) covenant as to the bonds to be issued and as to the issuance of such bonds in escrow or otherwise, and as to the use and disposition of the proceeds thereof; provide for the replacement of lost, destroyed or mutilated bonds; covenant against extending the time of the payment of its bonds or interest thereon; and to covenant for redemption of the bonds and to provide the term and conditions thereof;

(5) covenant subject to the limitations contained in this Article, as to the rents and fees to be charged in the operation of projects, the amount to be raised each year or other period of time by rents, fees and other revenues, and as to the use and disposition to be made thereof; create or authorize the creation of special funds for moneys held for construction or operating costs, debt services, reserves or other purpose, and covenant as to the use and disposition of the moneys held in such funds;

(6) prescribe the procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated, the amount of bonds the holders of which must consent thereto and the manner in which such consent may be given;

(7) covenant as to the use, maintenance and replacement of any or all of its real or personal property, the insurance to be carried thereon, and the use and disposition of insurance moneys;

**21 GCA REAL PROPERTY**  
**CH. 79 RESTORATION OF HAGÁTÑA**

(8) covenant as to the rights, liabilities, powers and duties arising upon the breach by it of any covenant, condition or obligation; and covenant and prescribed as to events of default and terms and conditions upon which any or all of its bonds or obligations shall become or may be declared due before maturity, and as to the terms and conditions upon which such declaration and its consequences may be waived;

(9) vest in any obligee of the Authority the right to enforce the payment of the bonds or any covenants securing or relating to the bonds; vest in an obligee or obligees holding a specified amount in bonds the right, in the event of a default by the Authority, to take possession of and use, operate and manage any project or any part thereof or any funds connected therewith, and to collect the rents and revenues arising therefrom, and to dispose of such moneys in accordance with the agreement of the Authority with said obligees; provide for the powers and duties of such obligees and limit the liabilities thereof; and provide the terms and conditions upon which such obligees may enforce any covenant or rights securing or relating to the bonds; and

(10) exercise all or any part or combination of the powers herein granted; make covenants and do any and all such acts and things as may be necessary or convenient or desirable in order to secure its bonds, or in the absolute discretion of the Authority, as will tend to make the bonds more marketable notwithstanding that such covenants, acts or things may not be enumerated herein.

**§ 79404. Rights of Obligee.**

An obligee of the Authority, in addition to all other rights which may be conferred on such obligee, subject only to any contractual restrictions binding upon him, may, by a civil action:

(1) compel the Authority and the Commissioners, officers, agents or employees thereof to perform each and every term, provisions and covenant contained in any contract of the Authority with or for the benefit of such obligee, and carry out any or all such covenants and agreements of the Authority and fulfill all duties imposed upon the Authority by this Article; or

(2) enjoin any acts or things which may be unlawful, or the violation of any of the rights of such obligee of the Authority.

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**ARTICLE 5**  
**REAL PROPERTY TAX ON IMPROVEMENTS**

§ 79501. Real Property Tax on Improvements.

**§ 79501. Real Property Tax on Improvements.**

All taxes assessed, levied and collected by the government of Guam by virtue of the Real Property Tax Law, on improvements, buildings and structures, to be constructed within the Project, over and above the real estate taxes currently assessed, levied and collected, shall revert to the Authority for its use and disposition.

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**ARTICLE 6**  
**GUAM CAPITOL DISTRICT**

§ 79601. Creation of Guam Capitol District.

§ 79601.1. Untitled [Authorizing Memorial to Purple Heart Recipients].

§ 79602. Capitol District Fund.

**§ 79601. Creation of Guam Capitol District.**

The Guam Capitol District is hereby established, consisting of the grounds and structures comprising the old Guam Congress Building (the old legislative building), Skinner Plaza, *Plaza de Espana*, the Manuel F.L.Guerrero Administration Building and, upon the termination *or* expiration of any leases attached to the property, the Post Office in *Hagåtña*. Properties included in the Guam Capitol are hereby placed under the control and supervision of *I Liheslaturan Guåhan*. This Section *shall not* be interpreted as preventing the development and beautification of Skinner Plaza, as detailed in the Budget Act for Fiscal Year 1998. Government agencies and departments utilizing facilities in the Guam Capitol District *shall* continue to do so unless subsequently and otherwise indicated by *I Liheslaturan Guåhan*. The Department of Parks and Recreation, the Department of Public Works and other government agencies that may provide maintenance, security and other services on property

**21 GCA REAL PROPERTY**  
**CH. 79 RESTORATION OF HAGÁTÑA**

within the Guam Capitol District *shall* continue to do so unless subsequently and otherwise indicated by the Guam Legislature. The provisions of other Sections of this Act do *not* apply to the Guam Capitol District. Notwithstanding any other provision of law, The Speaker of *I Liheslaturan Guåhan* may be authorized by Legislative Resolution passed by two thirds (2/3) vote of the Members to negotiate, approve, and execute lease agreements for the premises of the Agana Post Office to the United States Postal Service in one (1) year increments, terminable by *I Liheslatura* upon *no more than* one hundred twenty (120) days notice. Leases of property within the Capitol District *shall* be procured pursuant to procurement laws applicable to *I Liheslatura*, and *shall* be approved as to form by Legislative Counsel.

**SOURCE:** Amended by P.L. 29-069:9 (Apr. 29, 2008).

**§ 79601.1. Untitled.**

The Military Order of the Purple Heart, Guam Chapter 1315, is hereby authorized to erect a memorial monument in the Skinner Plaza, next to the monument of General Douglas MacArthur, in honor of the service and sacrifices of the Purple Heart recipients; provided the Military Order of the Purple Heart, Guam Chapter 1315, (a) does not occupy more than twenty feet (20') in length and twenty feet (20') in width of the Skinner Plaza; (b) submits to *I Liheslaturan Guåhan* the plan and design of the monument for legislative approval by statute or resolution; and (c) does not hold the Government of Guam liable or responsible for any expenses related to the construction or maintenance of the monument authorized herein.

**SOURCE:** Added by P.L. 27-120:2 as untitled section.

**§ 79602. Capitol District Fund.**

Income received pursuant to any lease of property within the Capitol District, *shall* be deposited to the Capitol District Fund, which is hereby created as a special fund of the government of Guam and *shall not* be commingled with any other fund of the government of Guam *nor* subject to transfer by *I Maga'lahi*. The Capitol District Fund *shall* be under the exclusive purview and control of *I Liheslatura* and *shall* be dedicated and used *solely* for the repair, restoration, renovation, or refurbishment of the Guam Congress Building *or* other Capitol District properties in compliance with the Capitol District law (§79601, Title 21, GCA), with *I Liheng Para Sagan I Liheslaturan Guåhan* (§1126, Title 2, GCA), and the historical preservation laws of Guam. Expenditure from the Capitol District Fund

**21 GCA REAL PROPERTY**  
**CH. 79 RESTORATION OF HAGÁTÑA**

*shall* be pursuant to Legislative Resolution and *shall not* be used for operations.

**SOURCE:** Added by P.L. 29-069:10 (Apr. 29, 2008) as § 79601.1, which was already occupied. Renumbered by Compiler.

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