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CH. 5 GUAM HOUSING AND URBAN RENEWAL AUTHORITY**

**CHAPTER 5
GUAM HOUSING AND URBAN RENEWAL AUTHORITY**

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§ 5101. Declaration of Findings and Policy.

The Legislature declares and finds:

(a) The Declaration of Housing Policy contained in the Housing Act of 1949 (P.L. 171, 81st Cong. 1st Sess.), as amended, and its goals of a decent home and a suitable living environment for every American family expresses the sense of this Legislature and its concern with the public welfare and the economic health of our Nation and of Guam.

(b) There exist in Guam slum and blighted areas, as well as substandard and inadequate housing conditions and a serious shortage of safe, sanitary and decent dwelling accommodations at rentals or prices which families of low income can afford to pay.

(c) These slum and blight conditions, and the continuing shortage of decent housing for low-income families present problems of immediate and long-range governmental concern including low and falling property values; a constant threat of growth, choking off the orderly improvement and development of communities; the loss of property tax revenues; failure of community responsibility to itself and to its citizens; continued crowding of low-income families into unsafe, unsanitary, unhealthy dwellings and slum pockets; and continued excessive expenditures for health protection and fire and crime control.

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(d) That certain slum or blighted areas or portions thereof, may require acquisition, clearance and disposition subject to use restrictions, as provided in this Chapter, since the prevailing condition of decay may make impracticable the reclamation of the areas by conservation or rehabilitation; that other areas or portions thereof may, through the means provided in this Chapter, be susceptible of conservation or rehabilitation in such a manner that the conditions and evils hereinbefore enumerated may be eliminated, remedied or prevented; and that to the extent feasible salvable slum and blighted areas can be conserved and rehabilitated through appropriate public action and the cooperation and voluntary action of the owners and tenants of property in such areas.

(e) These problems must be attacked by prompt and vigorous action in the interests of public safety, health and welfare.

(f) The elimination and prevention of slums and blighted areas, the planning, undertaking and carrying out of urban renewal projects and the provision of safe, sanitary and decent housing for low-income families in Guam, and during periods of acute need for disaster victims and persons engaged in national defense activities, constitute public uses and public purposes, not competitive with private enterprise, are proper governmental functions, devoted to the health, welfare and safety of the people of Guam, and that the powers conferred by this Chapter are for public uses and purposes for which public money may be expended and private property may be acquired, by eminent domain or otherwise.

(g) Guam joins in the national policy to promote the health, safety and welfare of its people by the elimination of slum and blight conditions, by the orderly redevelopment and renewal of communities, by proper planning of community development and by provision of safe, decent and sanitary dwellings for low-income families, through all available federal and local governmental programs and through encouragement of private enterprise to participate in the common task of community improvement.

SOURCE: GC §13900.

§ 5102. Definitions.

(a) As used in this Article, unless it is otherwise provided or the context requires a different construction, application or meaning:

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(1) Authority means the Guam Housing and Urban Renewal Authority referred to in § 5103.

(2) Federal Government means the United States of America or any department, agency or instrumentality, corporate or otherwise of the United States.

(3) Government of Guam means the body politic established by the Organic Act of Guam.

(4) Legislature means the Guam Legislature.

(5) Governor means the Governor of Guam.

(6) Area of operation means the total geographical area within the boundaries of Guam.

(7) Slum area means an area in which there is a predominance of buildings or improvements, whether residential or nonresidential, which by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation or open spaces, high density of population and overcrowding, or the existence of any conditions which endanger life or property by fire or other causes, or any combination of such factors is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency or crime and is detrimental to the public health, safety, morals or welfare.

(8) Blighted area means an area, other than a slum area, which by reason of the presence of a substantial number of deteriorated or deteriorating structures, predominance of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility or usefulness, unsanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, defective or unusual conditions of title, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, substantially impairs or arrests the sound growth of a community, retards the provision of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, morals or welfare in its present condition and use.

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(9) Urban renewal area means a slum area or a blighted area or a combination thereof which is designated as appropriate for an urban renewal project.

(10) Locality or community means any cohesive population area within the boundaries of Guam that would be commonly described as a city, town or village.

(11) Housing project means any work or undertaking or activity to provide decent, safe and sanitary urban or rural dwellings, apartments and other living accommodations for families of low income.

(A) Such work, undertaking or activity may include buildings, land, equipment, facilities, other real or personal property for necessary, convenient or desirable appurtenances, streets, sewers and other sanitary facilities and services, water supply, utilities, parks, site preparation, landscaping and administrative, community, health, recreational, welfare and similar facilities and services.

(B) The term also extends to the planning of buildings and improvements, the acquisition of property, the demolition of existing structures, the clearance of slum areas, the construction, reconstruction, alteration or repair of the improvements, and all other work in connection therewith, as well as to all other real or personal property and tangible or intangible assets held or used in connection with the housing project.

(12) Urban renewal project means undertakings and activities in an urban renewal area for the elimination and for the prevention of the development or spread of slums and blight, and may involve slum clearance and redevelopment in an urban renewal area, or rehabilitation or conservation in an urban renewal area, or any combination or part thereof in accordance with an urban renewal plan. Such undertakings and activities may include:

(A) Acquisition of a slum area or a blighted area or portion thereof;

(B) Demolition and removal of buildings and improvements;

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(C) Installation, construction or reconstruction of streets, utilities, parks, playgrounds and other improvements necessary for carrying out in the urban renewal area the urban renewal objectives of this Article in accordance with the urban renewal plan;

(D) Disposition of any property acquired in the urban renewal area, including sale, initial leasing or retention by the Authority itself, at its fair value for uses in accordance with the urban renewal plan;

(E) Carrying out plans for a program of voluntary or compulsory repair and rehabilitation of buildings or other improvements in accordance with the urban renewal plan; and

(F) Acquisition of any other real property in the urban renewal area, where necessary, to eliminate unhealthful, unsanitary or unsafe conditions, lessen density, eliminate obsolete or other uses detrimental to the public welfare, or otherwise to remove or prevent the spread of blight or deterioration, or to provide land for needed public facilities.

(13) Project means a housing project or urban renewal project and extends to all properties, assets, cash or other funds, used, received or held in connection with the development or operation or disposition of a project or any portion of a project.

(14) Urban renewal plan means a plan, as it exists from time to time, for an urban renewal project, which plan:

(A) shall conform to the master plan for Guam, except as provided in § 5114; and

(B) shall be sufficiently complete to indicate such land acquisition, demolition and removal of structures, redevelopment, improvements and rehabilitation as may be proposed to be carried out in the urban renewal area, zoning and planning changes if any, land uses, maximum densities, building requirements, and the plan's relationship to definite objectives of Guam respecting appropriate land uses, improved traffic, public transportation, public utilities, recreational and community facilities, and other public improvements.

(15) Real property or land, unless restricted meaning is clearly indicated, means all lands, including improvements and fixtures

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thereon, and appurtenances thereto, or used in connection therewith, and every estate, interest, right and use, legal or equitable, therein, including terms for years, and liens by way of mortgage, pledge, attachment, judgment or otherwise.

(16) Families of low income or low-income families means individuals or families who are in the lowest income group in a community, who cannot afford to pay enough to cause private enterprise in their community to build an adequate supply of decent, safe and sanitary housing for their use.

(17) Bonds means all bonds (including refunding bonds), notes, debentures and any other types or forms of instruments or obligation.

(16) Obligee of the Authority or obligee includes any bondholder, agents or trustees for any bondholders or lessor demising to the Authority property used in connection with a project, or any assignee or successor of any of these, and the Federal Government when it is a party to any contract with the Authority.

(17) Person means any individual, firm, partnership, corporation, company, association, establishment, institution or organization, private or public, and includes persons acting in a representative or fiduciary capacity.

(18) Persons engaged in national defense activities means individuals in the Armed Forces of the United States; employees of the Department of Defense; and workers engaged or to be engaged in activities connected with national defense. The term also includes the families of the individuals, employees and workers who reside with them.

(19) Major disaster means any flood, drought, fire, typhoon, earthquake, storm or other catastrophe, natural or man-made including destruction due to enemy action in time of war which the Governor has determined to be of sufficient severity and magnitude to warrant the use of available resources of the Federal Government and the government of Guam to alleviate the damage, hardship or suffering caused thereby.

(20) Public agency or agency means any department, bureau, instrumentality, authority or official body, corporate or otherwise, or

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any public official of the United States or of Guam, or of any state, commonwealth, territory or possession of the United States.

(b) To the extent to which any definition in this Section relates to, or is derived from the provisions of the United States Housing Act of 1937, as amended, or the Housing Act of 1949, as amended, or the Housing Act of 1954, as amended, it shall be construed as intended to conform to those Acts, or to any future amendment of those Acts, as is intended to include the broadest scope authorized by those Acts.

SOURCE: GC § 13901.

2017 NOTE: Subitem designations added/altered pursuant to the authority of 1 GCA § 1606.

§ 5103. Guam Housing and Urban Renewal Authority.

(a) There is hereby created a public body corporate and politic to be known as the “Guam Housing and Urban Renewal Authority.” The Authority shall constitute a “public housing agency” within the meaning of the United States Housing Act of 1937, as amended, and a “local public agency” within the meaning of Title I of the Housing Act of 1949, as amended. The Authority shall have all the powers, rights, duties, privileges, functions and obligations prescribed or provided by this Article.

(b) The powers, rights, privileges, functions and duties of the Authority shall be vested in seven (7) commissioners, not more than three (3) of whom shall be at any time a salaried official or employee of the government of Guam or of the United States.

(c) The Commissioners shall be appointed by the Governor by and with the advice and consent of the Legislature.

(1) The Commissioners who are first appointed pursuant to this Article shall be designated to serve for terms of one (1), two (2), three (3), four (4) and five (5) years, respectively, from the date of their appointment, but thereafter Commissioners shall be appointed for terms of five (5) years, except that any person appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term.

(2) A Commissioner shall hold office until his successor has been qualified, unless sooner removed as provided in Subsection (e) of this Section.

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(3) A certificate of the appointment or reappointment of any Commissioner shall be filed with the Secretary of Guam and such certificate shall be conclusive evidence of the due and proper appointment of such Commissioner.

(d) 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.

(e) 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.

(f) 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. Commissioners shall be compensated in the amount of Fifty Dollars (\$50.00) for attending a board or commission meeting, such compensation not to exceed One Hundred Dollars (\$100.00) per month.

(g) 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 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.

(h) 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.

SOURCE: GC § 13902; Subsection (g) amended by P.L. 16-23. Subsection (f) amended by P.L. 30-069:2 (Nov. 27, 2009).

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2017 NOTE: Subsection/subitem designations added/alterd pursuant to the authority of 1 GCA § 1606.

§ 5104. 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:

- (a) Have perpetual succession;
- (b) Sue and be sued;
- (c) Have a seal and modify it;
- (d) Enter into and execute contracts and instruments of every kind and nature, necessary or convenient to the exercise of its powers and functions;
- (e) 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;
- (f) Borrow money from public and private sources and give such security therefor as may be required;
- (g) 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 or agency, or from any sources, public or private, for the purposes of this Article, and enter into and carry out contracts in connection therewith;
- (h) Deposit funds in banking institutions which are members of the Federal Deposit Insurance Corporation;
- (i) Invest funds in property or securities approved for investment by the Federal Government or the government of Guam;
- (j) Acquire any real or personal property or any interest or estate therein, by lease, option, purchase, gift, grant, donation, appropriation, bequest, devise or by the exercise of eminent domain or otherwise;

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(k) Own, hold, improve, clear or prepare for redevelopment any such property;

(l) 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;

(m) 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;

(n) 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;

(o) 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 projects;

(p) Install, construct and reconstruct streets, utilities, parks, playgrounds and other public improvements;

(q) 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;

(r) Undertake and carry out studies, analysis, research and investigations of living and housing conditions, and housing and urban renewal needs, within its area of operation, and of means and methods of dealing with needs disclosed by such studies, make available to the public the results of such studies and information on housing and urban renewal;

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(s) Determine where, and that, slum and blighted conditions or areas exist or where, and that, there is a shortage of safe, decent and sanitary dwellings for low-income families;

(t) Make findings, determinations and recommendations concerning matters relating to housing and urban renewal, and means and methods of dealing with such matters; carry into effect such findings, determinations and recommendations;

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

(v) Make, and cause to be made, all surveys, appraisals and plans necessary to carry out its activities and the purposes of this Article, and in connection therewith to enter upon any land, property or structure, for such purposes, and make sounding, test boring, or any other technical investigations; enforce the power of such entry by appropriate proceedings in a court of competent jurisdiction if entry is denied or resisted; utilize and employ, by contract or otherwise, any persons or agencies for the making of such surveys, studies and plans, and the technical work incidental thereto;

(w) Make or have made all plans necessary to the carrying out of the purposes of this Chapter and contract with any person, public or private, in making and carrying out such plans; adopt, modify and amend such plans in accordance with the provisions of this Article, and include in such plans, without limitations,

(1) plans for low-rent public housing,

(2) urban renewal plans,

(3) plans for carrying out a program of voluntary or compulsory repair and rehabilitation of buildings and improvements,

(4) plans for the enforcement of local laws, codes and regulations relating to the use of land and the use and occupancy of buildings and improvements and to the compulsory repair, rehabilitation, demolition or removal of buildings and improvements,

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- (5) preliminary or general plans for urban renewal activities in its area of operation or for two (2) or more urban renewal areas, and
- (6) appraisals, title searches, maps, surveys, studies and other preliminary plans and work necessary to prepare for the undertaking of projects;
- (x) Develop, test and report methods and techniques, and carry out demonstrations and other activities for the prevention and elimination of slums and urban blight and apply for, accept and utilize grants of funds from the Federal Government for such purpose;
- (y) Undertake and carry out housing and urban renewal projects, and in connection therewith plan, prepare, develop, construct, acquire, lease and dispose of any such projects within the contemplation of this Article;
- (z) Provide for the planning, preparation, development, construction, acquisition, lease, disposition, reconstruction, improvement, alteration, extension, repair, maintenance and operation of any such projects;
- (aa) Lease any dwellings, accommodations, land, structures or facilities embraced in any project;
- (bb) Clear or prepare any property owned by it for redevelopment, conservation or rehabilitation;
- (cc) Impose and enforce terms and conditions upon reuse of properties included in urban renewal projects;
- (dd) Establish, from time to time, standards of eligibility for admission to, and occupancy of, low-rent public housing dwellings and facilities;
- (ee) Adopt, from time to time, rules, regulations and conditions of admission to and occupancy of low-rent public housing dwellings and facilities and housing facilities for elderly residents including rents and charges therefor;
- (ff) Establish, from time to time, standards of eligibility and conditions of participation for redevelopers and others in urban renewal projects subject to the limitations contained in this Article with respect to rental of dwellings in housing projects;

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(gg) Prepare plans for the relocation of persons displaced by an urban renewal project and make relocation payments to or with respect to such persons for moving expenses and losses of property for which reimbursement or compensation is not otherwise made, including the making of such payments financed by the Federal Government;

(hh) 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;

(ii) Conduct examinations and investigations on any matters material to the functions or operations of the Authority; and

(jj) Organize, coordinate and direct the urban renewal program and disseminate slum clearance and urban renewal information in order that the objectives of remedying slum and blighted areas and preventing the causes thereof within Guam may be most effectively promoted and achieved.

(kk) Provide for the planning, development, construction, lease, improvement, alteration, operation and maintenance of dwellings for the severely mentally ill in consultation with the Director of the Guam Behavioral Health and Wellness Center; and

(ll) Expend funds received from the Federal government as payments in lieu of taxes (PILOT funds) for the purposes of meeting personnel obligations imposed on the Authority by Public Law 20-215 § 8; repairing or replacing any facility owned by the Authority which was damaged as a result of the August 8, 1993 earthquake; constructing dwellings for severely mentally ill persons (to replace Guma Ifil which was destroyed in the earthquake); and for such other purposes as the Board may from time to time find necessary

SOURCE: GC § 13903; Subsection (31) amended by P.L. 14-28. Subsections 37 and 38 added by P.L. 22-24:5 (8/31/93).

COURT DECISIONS: SUPER.CT. 1982 The power to "sue and be sued" signifies that the various limitations of the Government Claims Act do not apply to agencies which are given this power by the Legislature. Therefore, the plaintiff was not required to file a claim as required in the Claims Act, nor is he limited by any monetary recovery, nor statute of limitations contained in that Act. *Hawaiian Rock v. Guam Housing and Urban Renewal Authority*, Civil Case #175-82.

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NOTE: See the Government Claims Law, 5 GCA Chapter 6, which overturned the holding in the above case.

2013 NOTE: Pursuant to P.L. 32-024:2 (May 6, 2013) which renamed the Department of Mental Health and Substance Abuse (DMHSA) to the Guam Behavioral Health and Wellness Center, all references to DMHSA were altered to the Guam Behavioral Health and Wellness Center.

Pursuant to the authority granted by 1 GCA § 1606, numbers and/or letters were altered to adhere to the Compiler's alpha-numeric scheme.

§ 5105. Participation in Federal Programs.

(a) The Authority is empowered and authorized to participate in the programs of the Federal Government and its agencies including the Farmer's Home Administration and the Department of Housing and Urban Development in the fields of housing for low-income families, elderly residents and for persons engaged in national defense activities or for victims of a major disaster, urban renewal and related activities.

(b) In connection with such participation, and in addition to powers otherwise conferred by this Article, the Authority is empowered and authorized

(1) to enter into contracts and agreements of every kind and nature with the Federal Government for any purpose related to such programs, and shall comply with such contracts and any federal rules, requirements, regulations and procedures, applicable to the programs;

(2) to execute such mortgages, declarations or indentures of trust, leases, undertakings or other agreements or documents of every nature, as may be necessary, or required by the Federal Government; and

(3) otherwise to comply fully with any conditions imposed by the Federal Government upon participation by the Authority in such programs, it being the intent of this Article to enable the Authority to do any and all things necessary to secure participation in the federal programs, and federal financial aid in such programs, and the cooperation of the Federal Government in the carrying out, undertaking, development, construction, maintenance and operation of any project, in carrying out the functions of the Authority, and in achieving the policies and purposes of this Article, and to assure strict compliance by the Authority with any conditions imposed by the Federal Government.

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(c) Further in connection with such participation, the Authority is also empowered and authorized to borrow money, receive contributions or grants, and accept other forms of financial assistance from or through the facilities or guarantees of the Federal Government, and may accept, and shall comply with such conditions as the Federal Government may impose upon or attach to its financial aid.

(d) Further, in connection with such participation, the Authority shall agree to and shall comply with any conditions imposed by the Federal Government relating to the wages and hours of labor and labor standards, in the development or administration of projects, and shall include in any contract awarded or entered into in connection with any project covenants that the contractor and all subcontractors shall comply with all requirements as to wages and hours of labor and labor standards.

SOURCE: GC § 13904; Subsection (a) amended by P.L. 14-28.

§ 5106. Housing for Disaster Victims and Defense Workers.

(a) Notwithstanding the provisions of this Article relating to rentals of, preferences or eligibility for admission to, or occupancy of dwellings in housing projects, during the period when the Authority determines that there is an acute need in its area of operation for housing to assure the availability of dwellings for persons engaged in national defense activities or for victims of a major disaster, the Authority may undertake the development and administration of housing projects for the Federal Government, and dwellings in any housing project for the Federal Government, and dwellings in any housing project under the jurisdiction of the Authority may be made available to persons engaged in national defense activities or to victims of a major disaster, as the case may be.

(b) The Authority is authorized to contract with the Federal Government or the government of Guam or public agencies thereof for advance payment or reimbursement for the furnishing of housing to victims of a major disaster, including the furnishing of the housing free of charge to needy disaster victims during any period covered by a determination of acute need by the Authority as herein provided.

SOURCE: GC § 13905.

2017 NOTE: Subsection designations added pursuant to the authority of 1 GCA § 1606.

§ 5107. Interest of Commissioners and Others in Projects; Duty to Disclose; Violation.

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(a) During his tenure and for one (1) year thereafter, no Commissioner, officer or employee of the Authority shall voluntarily acquire any personal interest, direct or indirect, in any project or in any property included or planned to be included in any project, or in any contract or proposed contract relating to any project. If any such Commissioner, officer or employee involuntarily acquires any such interest or voluntarily or involuntarily acquired any such interest prior to appointment or employment as a Commissioner, officer or employee, or thereafter, then in any such event, the Commissioner, officer or employee, shall immediately disclose his interest, in writing, to the Authority and such disclosure shall be entered upon the minutes of the Authority, and the Commissioner, officer or employee shall not participate in any action by the Authority relating to the property or contract in which he has any such interest.

(b) Any violation of the foregoing provisions of this Subsection shall constitute misconduct in office.

(c) These provisions shall not be applicable to the acquisition of any interest in notes or bonds of the Authority issued in connection with any project, or to the execution of agreements by banking institutions for the deposit or handling of funds in connection with a project or to act as trustee under any trust indenture or agreement, or to utility services the rates for which are fixed or controlled by a governmental agency.

SOURCE: GC § 13906.

2017 NOTE: Subsection/subitem designations added pursuant to the authority of 1 GCA § 1606.

§ 5108. Limitation on Rentals of Low Rent Public Housing: Factors to be Considered.

It is declared to be the policy of the government of Guam that the Authority shall manage and operate housing projects established for low-income families in the most economical and efficient manner consistent with applicable requirements, so as to enable it to fix rentals or charges for dwelling accommodations at low rents, in consonance with the purpose of providing safe, decent and sanitary housing for families of low income, and that it shall not operate such housing projects for profit or as a source of revenue to the government of Guam. To this end, the Authority shall fix the rentals or charges for dwellings in such housing projects at rates no higher than those it shall determine to be necessary to produce revenues which, together with all other available moneys,

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revenues, incomes and receipts of the Authority, from all sources, including federal financial assistance provided to maintain the low-rent character of the housing projects, will be sufficient to:

(a) Pay, as they become due, the principal and interest on bonds and obligations of the Authority issued to finance the housing projects;

(b) Establish and maintain such reserves as may be required to assure the payment of such principal and interest, as they become due;

(c) Meet the cost of, and to provide for, the maintenance and operation of the housing projects, including necessary reserves therefor, and for costs of insurance protection, as well as the administrative expenses of the Authority; and

(d) Make payments in lieu of taxes as provided for in this Chapter. Rentals and charges for dwellings shall be established, and the housing projects shall be administered, to the greatest degree possible, so as to assure that any federal financial assistance required shall be in the minimum amounts and periods necessary to maintain the low-rent character of the projects.

SOURCE: GC § 13907.

2013 NOTE: Pursuant to the authority granted by 1 GCA § 1606, numbers and/or letters were altered to adhere to the Compiler's alpha-numeric scheme.

§ 5109. Duties of Authority With Respect to Tenant Selection.

Subject to such requirements as the Federal Government may impose with respect to federally aided low-rent housing projects, which shall in any event prevail, the Authority, in the operation and management of low-rent housing projects, shall observe the following criteria:

(a) (1) It may rent or lease the dwelling accommodations in a housing project only to families who lack the amount of income deemed necessary by the Authority to enable them, without financial assistance, to secure decent, safe, and sanitary dwellings, within the area of operation of the Authority, and to provide an adequate standard of living for themselves.

(A) The Authority *shall* charge rentals which it determines to be within the financial reach of such families.

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(B) In the selection process, the Authority *shall* provide a preference for any veteran, as that term is defined in 16 GCA § 7120.2(b)(1), who is also the named applicant in any application for public housing.

(2) The preference established by this Subsection *shall* be cumulative with any other preference allowed by the Authority for which the applicant qualifies, so that veterans have priority over non-service members and non-veterans within each preference category.

(b) Nothing contained in § 5108 or in Subsection (a) of this Section shall limit the power of the Authority to vest in an obligee of the Authority the right, in the event of a default by the Authority, to take possession of a housing project or cause the appointment of a receiver thereof, free from all the restrictions imposed therein.

SOURCE: GC § 13908. Subsection (a) amended by P.L. 33-201:2 (Dec. 15, 2016).

2017 NOTE: Subitem designations added pursuant to the authority of 1 GCA § 1606.

2013 NOTE: Pursuant to the authority granted by 1 GCA § 1606, numbers and/or letters were altered to adhere to the Compiler's alpha-numeric scheme.

§ 5110. Declaration of Urban Renewal Policy.

(a) It is declared to be the policy of Guam to undertake and pursue an active urban renewal program for the elimination, and for the prevention of the development or spread of slums and blight in Guam, within the contemplation of the Housing Act of 1949, as amended, and of any other applicable federal or Guam laws, including slum clearance and redevelopment, rehabilitation or conservation, or any combination or part thereof, and any other activities designed for the development of communities in Guam, to eliminate and prevent slum and blight, and to assure sound community growth.

(b) To the greatest extent feasible in carrying out the provisions of this Article, maximum opportunity, consistent with the sound needs of Guam as a whole, shall be afforded for the rehabilitation or redevelopment of an urban renewal area by private enterprise. The government of Guam, the Authority, and all other public agencies and bodies shall give consideration to this objective in exercising any powers under this Article, including the formulation of a workable program, the preparation and approval of urban renewal plans, the exercise of zoning

powers, the enforcement of other laws, codes and regulations relating to the use of land and occupancy of buildings and improvements, the disposition of property acquired, and the provision of necessary public improvements.

SOURCE: GC § 13909.

§ 5111. Approval of Urban Renewal Projects and Urban Renewal Plans.

(a) An urban renewal project for an urban renewal area shall not be planned or initiated unless the Authority has determined, with the approval of the Governor, that such area is a slum area or a blighted area or a combination thereof and that the area is appropriate for an urban renewal project. The Authority shall not acquire real property for, nor otherwise undertake an urban renewal project unless the urban renewal project has been approved in accordance with this Section.

(b) (1) The Authority may itself prepare or cause to be prepared urban renewal plans and may utilize for this purpose the assistance and cooperation of any agency, public or private.

(2) Any person or agency, public or private, may submit such an urban renewal plan to the Authority for its consideration and action.

(3) Prior to its adoption of an urban renewal plan, the Authority shall submit such plan to the Territorial Land Use Commission for review and recommendations as to its conformity with the master plan for the development of Guam.

(4) Within thirty (30) days after receipt of a proposed urban renewal plan from the Authority, the Land Use Commission shall submit its written recommendations with respect to the proposed urban renewal plan to the Authority for consideration.

(5) Upon receipt and consideration of the recommendation of the Land Use Commission or, if no recommendations are received within said thirty (30) days, then without such recommendations, the Authority may proceed with the public hearing prescribed by Subsection (c) hereof on the urban renewal project proposed by the urban renewal plan.

(c) The Authority shall hold a public hearing on a proposed urban renewal project, after public notice thereof.

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(1) The notice shall describe the hour, date, place and purpose of the hearing, shall generally identify the urban renewal area covered by the plan and shall outline the general scope of the proposed urban renewal project.

(2) The notice shall be published at least once a week for not less than two (2) successive weeks immediately prior to the date of the hearing, the first publication to be not less than ten (10) days prior to the date of the hearing, in at least one newspaper of general circulation in the community or locality in which the urban renewal area is situated, or, if there be no such newspaper, be posted in at least three (3) public places in the community or locality for not less than ten (10) days immediately prior to the date of the hearing.

(3) In the computation of the period of publication or posting, both the day of the first publication or posting and the day of the hearing shall be included.

(d) Within thirty (30) days after conclusion of the public hearing prescribed by Subsection (c), the Authority shall consider and act upon the proposed urban renewal plan and may, by resolution, adopt the urban renewal plan.

(e) Within fifteen (15) days after the adoption of an urban renewal plan by the Authority, or such longer time as the Governor may authorize at the Authority's request in any instance, the Authority shall transmit to the Governor the following:

(1) a certified copy of the urban renewal plan as adopted by the Authority;

(2) a copy of the report and recommendations of the Land Use Commission, if any;

(3) a statement by the Authority of the difference, if any, between the views of the Authority and the Land Use Commission;

(4) a summary report of the public hearing;

(5) a proposed financing plan for the project to include estimated costs of renewal activities, estimated return from the disposal of project lands, and the proposed means of furnishing such local grants-in-aid as may be required for the project; and

(6) a proposed relocation plan specifying a feasible method, including any temporary relocation measures proposed, for the

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relocation of families that will be displaced from the urban renewal area as a result of the project, such relocation plan to show that there are or are being provided, in the urban renewal area or in other areas not generally less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the families to be displaced, decent, safe and sanitary dwelling units, private or public, equal in number to such displaced families and reasonably accessible to their places of employment. Any such relocation plan shall also indicate the method and manner of relocating in appropriate facilities any single persons that will be displaced by the urban renewal project.

The Governor, if he approves, shall transmit the foregoing documentation and plans, together with his findings with respect thereto, including specific findings as to those matters set forth in Subsection (f) hereof, to the Legislature at its next regular or special session.

(f) The Legislature at any regular or special session during which an urban renewal plan, the supporting documentation as listed in Subsection (e) hereof and the Governor's findings thereon, is transmitted to it by the Governor, shall consider such urban renewal project during that session. The Legislature may formally approve the same, by resolution or otherwise, or, if no action either to approve or reject is taken during that session, it shall be deemed to have approved.

(1) Approval of the project shall include findings that

(A) a feasible method for the location of families who will be displaced from the urban renewal area in decent, safe and sanitary dwelling accommodations within their means and without undue hardship to such families;

(B) the urban renewal plan conforms to the master plan for Guam; and

(C) the urban renewal plan will afford maximum opportunity, consistent with the sound needs of Guam, for the rehabilitation or redevelopment of the urban renewal area by private enterprise; provided, that if the urban renewal area or a portion thereof consists of an area of open land to be acquired by the Authority, such area shall not be so acquired unless

(i) if it is to be developed for residential uses, it is determined that a shortage of housing of sound standards

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and design which is decent, safe and sanitary exists in the community; that the need for housing accommodations has been or will be increased as a result of the clearance of slums in other areas; that the conditions of blight in the area and the shortage of decent, safe and sanitary housing cause or contribute to an increase in and spread of disease and crime and constitute a menace to the public health, safety, morals or welfare; and that the acquisition of the area for residential uses is an integral part of and essential to the program for the community, or

(ii) if it is to be developed for nonresidential uses, it is determined that such nonresidential uses are necessary and appropriate to facilitate the proper growth and development of the community in accordance with sound planning standards and local community objectives, which acquisition may require the exercise of governmental action, as provided in this Article, because of defective or unusual conditions of title, diversity of ownership, tax delinquency, improper subdivision, outmoded street patterns, obsolete platting, deterioration of site, economic disuse, unsuitable topography or faulty lot layouts, the need for the correlation of the area with other areas of the community by streets and modern traffic requirements, or any combination of such factors or other conditions which retard development of the area.

(2) If the urban renewal plan is for an urban renewal project for which federal financial aid is contemplated under the Housing Act of 1949, as amended, the approval of the project shall also include findings that federal financial aid is necessary to enable the project to be undertaken in accordance with the urban renewal plan; and a determination and recognition that certain contributions or local grants-in-aid on the part of Guam, as determined in accordance with the Housing Act of 1949, as amended, and other applicable law, will be required for the urban renewal project.

(g) Upon approval of an urban renewal project, the Governor may authorize the undertaking of the project by the Authority in accordance with the urban renewal plan.

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(h) An urban renewal plan may be modified at any time; provided, that if modified after the lease or sale by the Authority of real property in the urban renewal area, such modification shall be subject to such rights at law or equity as a lessee or purchaser, or his successor or successors in interest may be entitled to assert.

(i) Upon the approval of an urban renewal project, the provisions of the urban renewal plan with respect to the future use and building requirements applicable to the property covered by said plan shall be controlling with respect thereto and shall have the force and effect of law, and the Authority may thereafter carry out the project.

(j) Any urban renewal plan for an approved project shall be filed for record in the Department of Land Management in such a manner as to afford actual or constructive notice of the provisions of such plan. Thereafter, reference, in any instrument or document to the provisions of such recorded plan and the recordation thereof, shall be for all purposes the same as though the referred to provision or provisions were set forth in full in such instrument or document.

SOURCE: GC § 13910.

2017 NOTE: Subsection and subitem designations altered/added pursuant to the authority of 1 GCA § 1606.

§ 5112. Disposal of Property for Uses in Accordance With Plan.

Subject to such requirements and procedures as the Federal Government may impose with respect to federally aided urban renewal projects, which shall in any event prevail:

(a) The Authority may sell, lease or otherwise transfer real property or any interest therein acquired by it, and may enter into contracts with respect thereto, in an urban renewal area for residential, recreational, commercial, industrial or other uses or for public use, or may retain such property or interest for public use, in accordance with the urban renewal plan, subject to such covenants, conditions and restrictions, including covenants running with the land, as it may deem to be in the public interest or necessary to assist in preventing the development or spread of future slums or blighted areas or to otherwise carry out the purposes of this Article; provided, that such sale, lease, other transfer or retention, and any agreement relating thereto, may be made only after the approval of the urban renewal project.

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(b) The purchasers or lessees and their successors and assigns shall be obligated to devote such real property only to the uses specified in the urban renewal plan, and may be obligated to comply with such other requirements as the Authority may determine to be in the public interest or the Federal Government may determine to be necessary as a condition of federal aid, including the obligations to begin and to complete within a reasonable time any improvements on such real property required by the urban renewal plan and the new uses specified therein; provided, that any obligation to begin construction of improvements shall not apply to mortgagees and others who acquire an interest in such property as the result of the enforcement of any lien or claim thereon.

(c) Such real property or interest shall be sold, leased, otherwise transferred or retained at not less than its fair value for uses in accordance with the urban renewal plan.

(1) In determining the fair value of real property for uses in accordance with the urban renewal plan, the Authority shall take into account and give consideration to the uses provided in such plan; the restrictions upon, and the covenants, conditions and obligations assumed by the purchaser or lessee or by the Authority retaining the property; the benefits to be derived by such purchaser or lessee in acquiring, or by the Authority in retaining, such real property in an urban renewal area; and the objectives of such plan for the prevention of the recurrence of slum or blighted areas.

(2) The Authority may retain or employ qualified appraisers and land valuation experts to appraise the value of such real property in accordance with the standards here prescribed, which appraisals shall be advisory in nature only for the purpose of aiding and assisting the Authority in finding, determining and establishing the fair value of such real property for uses in accordance with the urban renewal plan.

(d) (1) The Authority in any instrument of conveyance to a purchaser or lessee may provide that such purchaser or lessee shall be without the power to sell, lease or otherwise transfer the real property without the prior written consent of the Authority until he has completed the construction of any and all improvements which he has obligated himself to construct

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thereon; and the Authority may provide, in any such instrument of conveyance, that such real property shall revert to or revest in the Authority, at its discretion, upon a breach or violation of any condition, covenant, restriction, undertaking or other requirement relating to the use of the property or otherwise, without relieving any purchaser or lessee and successors or assigns of any obligation assumed by such purchaser or lessee, and without liability on the part of the Authority for any claim arising from such retesting or reversion.

(2) The Authority, upon a certification by it to a court of competent jurisdiction that any purchaser or lessee or their successors and assigns has breached or violated any condition, covenant, restriction, undertaking or requirement, shall be entitled to immediate relief (without bond or liability for damages) restraining and enjoining any such breach or violation, pending the determination of the issues in the controversy.

(e) The inclusion in any such contract or conveyance to a purchaser or lessee of any of the covenants, restrictions or conditions provided in Subsections (a), (b), (c) and (d), including the incorporation by reference therein of the provisions of an urban renewal plan or any part thereof, shall not prevent the filing of such contract or conveyance in the Department of Land Management in such a manner as to afford actual or constructive notice thereof.

(f) Real property acquired by the Authority which, in accordance with the provisions of the urban renewal plan, is to be transferred, shall be transferred as rapidly as feasible in the public interest consistent with the carrying out of the provisions of the urban renewal plan.

(g) (1) The Authority may dispose of real property in an urban renewal area to private persons only under such reasonable competitive bidding procedures as it shall prescribe, or as hereinafter provided in this Subsection, or under such procedures as the Federal Government may prescribe.

(2) The Authority may, by public notice by publication once each week for two (2) consecutive weeks in a newspaper having a general circulation in the community, prior to the execution of any contract to sell, lease or otherwise transfer

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real property and prior to the delivery of any instrument of conveyance with respect thereto under the provisions of this Section, invite proposals from persons interested in undertaking to redevelop or rehabilitate an urban renewal area, or any part thereof. Such notice shall identify the area, or portion thereof, and shall state that proposals shall be made by those interested within thirty (30) days after the date of publication of said notice, and that such further information as is available may be obtained at such office as shall be designated in said notice.

(3) The Authority shall consider all such rehabilitation proposals and the financial and legal ability of the persons making such proposals to carry them out, and may negotiate with any persons for the purchase, lease or other transfer of any real property acquired by the Authority in the urban renewal area.

(4) The Authority may accept such proposal as it deems to be in the public interest and in furtherance of the purposes of this Article; provided, that a notification of intention to accept such proposal shall be filed with the Governor not less than thirty (30) days prior to any such acceptance.

(5) Thereafter, the Authority may execute such contract in accordance with the provisions of Subsections (a), (b), (c) and (d) and deliver deeds, leases and other instruments and take all steps necessary to effectuate such contract.

(h) The Authority may temporarily operate and maintain real property acquired in an urban renewal area pending the disposition of the property as authorized, without regard to the provisions of Subsections (a), (b), (c), (d), (e) and (f) above, for such uses and purposes as may be deemed desirable even though not in conformity with the urban renewal plan.

SOURCE: GC § 13911.

2017 NOTE: Subitem designations added pursuant to the authority of 1 GCA § 1606.

§ 5113. Property Statement.

The owner of an interest in any real property acquired by the Authority in a condemnation proceeding may, by expressly waiving any

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right to a priority purchase of any real property within an urban renewal or community development area, become eligible to receive government of Guam land in exchange for the land acquired by the condemnation proceeding. The authority shall issue to such owner a statement indicating that:

(a) the owner has expressly waived in writing all right to a priority purchase of any property within the urban renewal or community development area;

(b) the value of the interest in the real property taken by the Authority in the condemnation proceeding and the net amount payable to owner;

(c) evidence that the owner has stipulated for an order ordering that the condemnation proceeds otherwise payable to the owner be paid into the Treasury of Guam as payment for the government land to be acquired.

SOURCE: GC § 13911.1, as added by P.L. 15-68.

2013 NOTE: Pursuant to the authority granted by 1 GCA § 1606, numbers and/or letters were altered to adhere to the Compiler's alpha-numeric scheme.

§ 5114. Disaster Areas.

(a) Where the Legislature, by resolution, finds and determines that an area is in need of redevelopment or rehabilitation as the result of a major disaster, the Authority is hereby authorized and empowered to plan, undertake and carry out under the provisions of this Article an urban renewal project with respect to such area without regard to the following:

(1) The requirements in §§ 5102 and 5111(a) of this Article that an urban renewal area be a slum or blighted area;

(2) The requirements in § 5111 of this Article requiring preparation of a master plan, submission of an urban renewal plan to the Territorial Land Use Commission, and conformance of the urban renewal plan to the master plan; provided, that the Authority shall consult with the Land Use Commission in the preparation of the urban renewal plan so that said plan conforms to definite local objectives respecting appropriate land uses, improved traffic, public transportation, public utilities, recreational community facilities and other public improvements;

(3) The requirements of § 5111(e) and (f) of this Article relating to relocation; provided, that the Authority has a plan for the encouragement, to the maximum extent feasible, of the provisions of dwellings suitable for the needs of families displaced by the disaster or by redevelopment or rehabilitation activities.

(b) In the preparation of an urban renewal plan, with respect to a project to be undertaken and carried out under this Section, the Authority shall give due regard to the removal or relocation of dwellings from the site of recurring floods or other recurring disasters in the urban renewal area.

SOURCE: GC § 13912.

§ 5115. 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 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

(1) exclusively from the income and revenues of a project financed with the proceeds of such bonds;

(2) exclusively from the income and revenues of certain designated projects, whether or not they are financed in whole or in part with the proceeds of such bonds; or

(3) 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 a mortgage of any project, or part thereof, or other property of the Authority.

(c) None of the proceeds of bonds issued for urban renewal projects, and no proceeds or revenues from any urban renewal project shall be used to pay the bonds or costs of, or to make contributions or loans to any housing project, nor shall the proceeds of bonds issued for housing projects, nor proceeds or revenues from any housing project be used to pay the bonds or costs of, or to make contributions or loans to any urban

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renewal project, unless specifically authorized by law, or permitted by the Federal Government in the instance of federally-aided projects.

(d) 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.

(e) The bonds and other obligations of the Authority shall not be a debt of the territory 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.

(f) 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.

SOURCE: GC § 13913.

§ 5116. 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 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 public or private sale at not less than par.

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(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.

SOURCE: GC § 13914; Subsection (a) amended by P.L. 16-42; Subsection (e) added by P.L. 16-42.

§ 5117. Powers of Authority With Respect to Bonds or Obligations.

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:

(a) 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;

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

(c) Covenant against pledging all or any part of its rents, fees and revenues, or against mortgaging all or any part of its real or

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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;

(d) 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 for the payment of its bonds or interest thereon; and to covenant for redemption of the bonds and to provide the term and conditions thereof;

(e) 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 purposes, and covenant as to the use and disposition of the moneys held in such funds;

(f) 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;

(g) 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;

(h) Covenant as to the rights, liabilities, powers and duties arising upon the breach by it of any covenant, condition or obligation; and covenant and prescribe 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;

(i) 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

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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

(j) 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.

SOURCE: GC § 13915.

2013 NOTE: Pursuant to the authority granted by 1 GCA § 1606, numbers and/or letters were altered to adhere to the Compiler's alpha-numeric scheme.

§ 5118. 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:

(a) 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

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

SOURCE: GC § 13916.

2013 NOTE: Pursuant to the authority granted by 1 GCA § 1606, numbers and/or letters were altered to adhere to the Compiler's alpha-numeric scheme.

§ 5119. Conferment of Additional Rights Upon Obligee; Receiver.

(a) The Authority may by its resolution, or by declaration of trust, trust indenture, mortgage, lease or other contract confer upon any obligee

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holding or representing a specified amount in bonds, the right (in addition to all rights that may otherwise be conferred), upon the happening of an event of default as defined in such resolution or instrument, by a civil action in any court of competent jurisdiction:

(1) Cause possession of any project or any part thereof to be surrendered to any such obligee;

(2) Obtain the appointment of a receiver of any project of the Authority or any part thereof and of the rents and profits therefrom;

(3) Require the Authority and the Commissioners, officers, agents and employees thereof to account as if it and they were trustees of an express trust.

(b) A receiver appointed under clause (2) of this Section may enter and take possession of the project or any part thereof and operate and maintain the same, and collect and receive all fees, rents, revenues or other charges thereafter arising therefrom, and shall keep all moneys in a separate account or accounts and apply the same in accordance with the obligations of the Authority as the court directs.

SOURCE: GC § 13917.

2017 NOTE: Subsection/subitem designations added/altered pursuant to the authority of 1 GCA § 1606.

§ 5120. Investment of Public or Private Funds in Bonds or Other Obligations.

Notwithstanding any restriction on investments contained in any laws of Guam, the government of Guam, all public officers and other public bodies, all banks, bankers, trust companies, savings banks and institutions, building and loan associations, savings and loan associations, investment companies and other persons carrying on a banking or investment business, all insurance companies or organizations, and other persons carrying on an insurance business, and all executors, administrators, guardians, trustees and other fiduciaries, may legally invest any moneys or funds belonging to them or within their control in any bonds or other obligations issued by the Authority or issued by any public housing or urban renewal or redevelopment authority or agency in the United States, its territories and possessions or in the Commonwealth of Puerto Rico, when such bonds or other obligations are secured by a pledge of annual contributions or other

financial assistance to be paid by the Federal Government, or when such bonds or other obligations are secured by an agreement between the Federal Government and the public housing or urban renewal or redevelopment authority or agency in which the Federal Government agrees to lend to such authority or agency, prior to the maturity of the bonds or other obligations, moneys in an amount which, together with any other moneys irrevocably committed to the payment of principal and interest on the bonds or other obligations, will suffice to pay the principal of the bonds or other obligations with interest to maturity, which moneys under the terms of the agreement are required to be used for that purpose; and such bonds and other obligations shall be authorized security for all public deposits, it being the purpose of this Section to authorize any of the foregoing to use any funds owned or controlled by them, including, but not limited to, sinking, insurance, investment, retirement, compensation, pension and trust funds, and funds held on deposit, for the purchase of any such bonds or other obligations; provided, however, that nothing herein be construed as relieving any person from any duty of exercising reasonable care in selecting securities.

SOURCE: GC § 13918.

§ 5121. Provisions Permitted in Contracts With Federal Government.

In any contract with the Federal Government for financial assistance to the Authority, the Authority may obligate itself, which obligation shall be specifically enforceable and shall not constitute a mortgage, notwithstanding any other laws, to convey to the Federal Government possession of or title to the project to which such contract relates, upon the occurrence of a substantial default with respect to the covenants or conditions to which the Authority is subject. The contract may further provide that in the case of such conveyance the Federal Government may complete, operate, manage, lease, convey or otherwise deal with the project in accordance with the terms of such contract; provided, that the contract requires that, as soon as practicable after the Federal Government is satisfied that all defaults with respect to the project have been cured and that the project will thereafter be operated in accordance with the terms of the contract, the Federal Government shall reconvey to the Authority the project as then constituted.

SOURCE: GC § 13919.

§ 5122. Cooperation by Government of Guam.

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(a) For the purpose of aiding and cooperating in the planning, undertaking, carrying out, developing, constructing and operating of projects, and of enabling the Authority to qualify for participation in federal programs in its authorized field of activity, the government of Guam, or any public agency or public body of Guam, with or without consideration, upon such terms as it may determine, and acting through appropriate agencies and officials, may do any, all or any combination of the following:

(1) Enter into contracts and agreements (which contracts or agreements may extend over any period, notwithstanding any provision or rule of law to the contrary) with the Authority or other public agency or body respecting action to be taken pursuant to any of the powers granted by this Article, including the furnishing of funds by loan, grant, contribution, appropriation or otherwise or other assistance in connection with any project.

(2) Dedicate, sell, convey, lease or otherwise transfer any of its interest in any property or grant easements, licenses, or any other rights or privileges therein to the Authority or to any other public agency concerned in any project of the Authority.

(3) Cause public buildings and public facilities, including parks, playgrounds, recreational, community, educational, water, sewage or drainage facilities, illumination or any other works or facilities which it is otherwise empowered to undertake or furnish, to be furnished to or in connection with any project.

(4) Close, vacate, furnish, install, grade, regrade, pave, plan or replan, highways, streets, roads, alleys, sidewalks, ways or other places.

(5) Plan or replan, zone or rezone, any part of any community or locality, and make exceptions and grant waivers from any building codes, regulations or rules.

(6) Cause administrative and other services to be furnished to the Authority.

(7) Incur all or any part of the expense of any public improvement necessary for the purposes of this Article.

(8) Lend, grant, appropriate or contribute funds to the Authority, or otherwise for the purposes of this Article.

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(9) Employ, notwithstanding the provisions of any other law, any funds belonging to or within its control, including funds derived from the sale or furnishing of property or services or facilities, to the Authority, for the purchase of bonds or other obligations of the Authority.

(10) Exercise powers relating to the repair, improvement, condemnation, vacation, closing, demolition or removal of unsafe, unsanitary or unfit buildings and structures.

(11) Do any and all things necessary or convenient to aid and cooperate in the planning or carrying out, or operating projects of the Authority, and in achieving the purpose of this Article.

(b) All agencies and public officials of the government of Guam are authorized and empowered, and shall cooperate with the Authority to the extent necessary to facilitate the exercise by the Authority of its powers, duties and functions under this Article and in carrying out the purposes of this Article.

(c) Any sale, conveyance, lease, transfer or agreement authorized by this Section may be made without appraisal, public notice, advertisement or public bidding, notwithstanding any laws to the contrary.

(d) All projects of the Authority shall comply with the planning, zoning, sanitary and building laws or codes, or other regulatory measures applicable to the community in which the project is situated; but no project constructed in a manner to promote the public interest, which complies with the standards or requirements of the Federal Government applicable to it, shall be deemed to be in violation of such laws or codes or be required to be changed or modified for compliance.

SOURCE: GC § 13920.

§ 5123. Power to Render Assistance by Taxes, Appropriations, Borrowings, Bonds, Etc.

The government of Guam may levy taxes, appropriate funds, incur indebtedness and issue bonds for the purposes of procuring funds to be loaned, appropriated, contributed or granted, to the Authority for carrying out its powers, functions and duties under this Article, for the provision of public improvements and other forms of local governmental cooperation, and for use in connection with any project of the Authority, or otherwise to carry out the purposes of this Article. Bonds to be issued by such government pursuant to the provisions of this Section shall be

issued in the manner and within the limitations prescribed by law for the issuance and authorization of bonds.

SOURCE: GC § 13921.

§ 5124. Workable Program.

The government of Guam, for the purposes of this Article, may formulate for the territory of Guam, as a whole, and for each community and locality in Guam workable programs for utilizing appropriate public and private resources to eliminate, and prevent the development or spread of, slums and urban blight, to encourage needed urban rehabilitation, to provide for the redevelopment of slum and blighted areas, or to undertake such of the aforesaid activities or other feasible governmental or community activities as may be suitably employed to achieve the objectives of such workable programs. Such workable programs may include, without limitation, provisions for:

(a) the prevention of the spread of blight into areas of the community which are free from blight through diligent enforcement of housing, zoning and occupancy controls and standards;

(b) the rehabilitation or conversion of slum and blighted areas or portions thereof by replanning, removing congestion, providing parks, playgrounds and other public improvements, by encouraging voluntary rehabilitation and by compelling the repair and rehabilitation of deteriorated or deteriorating structures;

(c) the clearance and redevelopment of slum and blighted areas or portions thereof; and

(d) the provision of safe, decent and sanitary housing, by private or public effort, or a combination of both.

SOURCE: GC § 13922.

2017 NOTE: Subsection designations added pursuant to the authority of 1 GCA § 1606.

§ 5125. Instruments of Conveyance; Recordation.

Any instrument executed by the Authority, or by the government of Guam, purporting to convey any right, title or interest in any property under this Article, shall be conclusively presumed to have been executed in compliance with this Article insofar as the title or other interest of any bona fide purchaser, lessee or transferee of the property is concerned, and shall be entitled to recordation in the appropriate records or registries

of the territory of Guam so as to afford actual or constructive notice thereof.

SOURCE: GC § 13923.

§ 5126. Enforcement of Agreements.

If at any time title to, or possession of any project is held by any public body or governmental agency authorized by law to engage in the undertaking or carrying out of operations of such projects, including any agency or instrumentality of the United States, the provisions of this Article, and of any agreements thereunder, shall inure to the benefit of, and may be enforced by such public body or agency.

SOURCE: GC § 13924.

§ 5127. Testimony Admissible in Eminent Domain Proceedings to Fix Compensation.

In any proceedings in eminent domain to fix or assess just compensation, evidence or testimony bearing upon the following matters shall be admissible, in addition to evidence or testimony otherwise admissible, and shall be considered in fixing such compensation:

(a) Any use, condition, occupancy or operation of such property, which is unlawful or violates or is subject to elimination, abatement, prohibition or correction, under any law or regulatory measure, in Guam, as being unsafe, substandard, unsanitary or otherwise contrary to the public health, safety, morals or welfare.

(b) The effect on the value of such property of any such use, condition, occupancy or operation or of the elimination, abatement, prohibition or correction of any such use, condition, occupancy or operation.

(c) Testimony or evidence that any public agency or officer charged with the duty so to do has rendered, made or issued any judgment, decree, order, determination or finding for the abatement, prohibition, elimination or correction of any such use, condition, occupancy or operation, which official action shall be prima facie evidence of the existence and character of such use, condition, occupancy or operation, but shall not be a condition precedent to the admissibility of the evidence or testimony described in Subsections (a) and (b), above.

SOURCE: GC § 13925.

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NOTE: Subsection designations altered pursuant to the authority of 1 GCA § 1606.
Internal references altered to reflect the change.

§ 5128. Exemption of Authority's Property From Execution, Liens or Taxes; Payments in Lieu of Taxes.

(a) All property, including funds of the Authority, shall be exempt from judicial process of every kind, including, without limitation, attachment, levy, execution and sale by virtue of an execution, and no judgment shall be a lien or charge upon its property or funds; provided, that the provisions of such section shall not apply to or limit the rights or obligees of the Authority to foreclose or otherwise enforce and mortgage or other security of the Authority or to pursue any remedies for the enforcement of any lien or pledge given by the Authority upon its rents, fees or revenues, or to the rights of the Federal Government to pursue any remedies conferred upon it by federal law, any contract or the provisions of this Article.

(b) The property of the Authority, acquired or held for the purposes of this Article, is declared to be public property used for essential public and governmental purposes, and such property, and the Authority, are exempt from all taxes and special assessments of the government of Guam; provided, that with respect to any property acquired or held for the purposes of urban renewal, such tax exemption shall terminate when the Authority sells, leases or otherwise disposes of such property in an urban renewal area to a purchaser or lessee which is not entitled to tax exemption with respect to such property.

(c) In lieu of taxes on its housing projects, the Authority may agree to make such payments to the government of Guam, or to any agency or instrumentality as may be designated by the government of Guam, as it finds consistent, from time to time, with the maintenance of the low-rent character of housing projects, the obligations of the Authority, and the achievement of the purposes of this Article.

(d) In lieu of taxes on real property in an urban renewal area acquired and owned by the Authority as part of an urban renewal project, the Authority may agree, from time to time and with respect to any taxable year, to make to the government of Guam such payments in lieu of taxes as are consistent with the achievement of the purposes of this Article.

SOURCE: GC § 13926.

§ 5129. Expenditures; Accounting for Funds.

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The Authority shall make administrative, maintenance and operating expenditures in accordance with an annual budget, and shall account to the government of Guam, in accordance with applicable law, for any funds that may have been furnished to it or appropriated to its use. The Authority shall account to the Federal Government at such times as the Federal Government may require, for funds provided by the Federal Government, or derived from the proceeds of any sale of bonds or other obligations of the Authority secured by a pledge of annual contributions or other financial assistance of the Federal Government, or derived from receipts from its federally aided projects or operations or otherwise derived from, or through, or with the cooperation or assistance of the Federal Government. The Federal Government shall, for the purposes of audit and examination, have access to any books, documents, papers and records of the Authority pertinent to its operations with respect to financial assistance furnished by the Federal Government.

SOURCE: GC § 13927.

§ 5130. Reports as to Areas to be Considered for Housing Projects; Approval.

The Authority shall submit to the Governor and the Legislature from time to time a report listing any area or areas deemed by the Authority to be suitable for consideration for housing project purposes. The utilization of any such area or areas for such purposes shall require the approval of the Governor and the Guam Legislature.

SOURCE: GC § 13928, as amended by P.L. 12-56.

§ 5131. Reports and Recommendations to Governor and Legislature.

At least once a year, the Authority shall file with the Governor and the Legislature a report of its activities for the preceding year, and shall make recommendations with reference to such additional legislation or other action as it deems necessary in order to carry out the purposes of this Article.

SOURCE: GC § 13929.

§ 5132. Construction With Other Laws.

(a) Insofar as the provisions of this Article are inconsistent with the provisions of any other law, the provisions of this Article shall be controlling; and in particular but not by way of limitation, except as may be provided in this Article, no provision of any law with respect to the receipt or disbursement of funds by agencies or instrumentalities of the

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government of Guam or employment of personnel, shall be applicable to the Authority unless the Legislature shall specifically so state; provided, however, that the Authority may utilize in its operations the procedures and facilities provided by any such law or by the executive agencies of the government of Guam.

(b) The provisions of Title 5 GCA shall be applicable to the Authority except when requirements of federal law with respect to the expenditure of federal funds are inconsistent with the provisions of Title VII-A and under such conditions federal law shall control.

SOURCE: GC § 13930 as amended by P.L. 16-124:6 (Dec. 29, 1982).

2017 NOTE: Subsection designations added pursuant to the authority of 1 GCA § 1606.

NOTE: Pursuant to the authority granted by 1 GCA § 1606, the reference to Title VII-A of the Government Code was altered to reflect its codification in the GCA.

§ 5133. Transfer of the Guam Housing and Urban Renewal Authority.

(a) Transfer of the Guam Housing and Urban Renewal Authority. Notwithstanding any other provisions of law, the Governor is authorized to convey for One Dollar (\$1.00) to Guam Housing and Urban Renewal Authority all right, title and interest of the government in Lots 10122-2, Dededo (area 1,088,988 ± square feet), Lot 10124-R2, Dededo (area 1,128,753 ± square feet), Lot 10134-3, Dededo (area 1,148,793 ± square feet), Lot 10199-2, Dededo (area 1,089,011 ± square feet) and Lot 7018, Yigo (area 1,479,500 ± square feet). The five (5) parcels are to be utilized solely for the development of five hundred (500) single family homes of reinforced concrete or concrete block construction, with an average cost per home including on-site and off-site improvements, not to exceed Twenty-Eight Thousand Dollars (\$28,000). The community housing development shall be on a turnkey basis. Site development shall conform to the standards of the Subdivision Law. Units within the development shall be sold only to persons who agree to own and occupy the units. No unit shall be sold to any person who is a non-resident alien of the United States.

(b) Preferences Governing the Sale of Units. The Authority shall sell the units within the development according to the following preferences:

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(1) First preference shall be given to persons who reside within the subject properties at the time of the effective date of this Article and who are without fee title to any developable real property of their own upon which safe, sanitary and decent housing could be erected.

(2) Second preference shall be given to those persons who are without fee title to any developable real property of their own upon which safe, sanitary and decent housing could be erected and whose direct ancestral lands were seized by the United States by eminent domain.

(3) Third preference shall be given to other persons domiciled within Guam who are without fee title to any developable real property of their own upon which safe, sanitary and decent housing could be erected and who have been residents of Guam for not less than two (2) years.

(4) Fourth preference shall be given to persons who are owner-occupants of substandard residential property and who are willing to divest themselves of their interest in such property in consideration of being given the opportunity to purchase a unit within the development.

(c) Any sale made in violation of the preferences set out in Subsection (b) of this Section shall be void ab initio.

(d) Authority Permitted to Lease Land. The Authority is granted the authority to lease lots within the development to the purchasers of the individual units upon the following terms:

(1) The lease shall be for One Dollar (\$1.00) for a period of fifty-five (55) years and the lessee shall have an option to renew the lease for an additional term of twenty (20) years upon a price to be established by the Authority.

(2) The lease shall contain a provision granting the Authority the right to reacquire the original dwelling at the original sale price or at a lesser price if it has been damaged in the event the owner-occupant desires to voluntarily convey the property at any time during the first ten (10) years of the lease. Any improvements which are permanently affixed to the land or the dwelling shall be purchased at their fair market value in the event of such a sale.

(e) Compensation to Displaced Tenants. No person shall be displaced from the lots transferred to GHURA pursuant to this Section without receiving compensation representing the fair market value of any improvements constructed or crops lost. In addition, persons so displaced shall be provided reasonable relocation assistance by the Authority. In addition, if the person so displaced meets all other requirements for first preference, his application shall be given the highest priority among all applicants for the purchase of a unit within the development.

SOURCE: GC § 13956.1, as enacted by P.L. 15-12.

§ 5134. Mortgagee May Own and Transfer Title to Leasehold Without Regard to § 5133.

Nothing in this Article shall prevent a mortgagee from foreclosing the interest of any mortgagor in default on a mortgage or deed of trust entered into as security for financing the improvement of a leasehold provided for by § 5133 of this Article. In the event of foreclosure or any proceeding in lieu thereof, including assignment of lease, the mortgagee may convey the leasehold and improvement to any buyer. Such conveyance shall not be subject to any of the restrictions of § 5133 of this Article.

SOURCE: GC § 13956.2 added by P.L. 13-193.

§ 5135. Sale of Lots Authorized.

(a) The Guam Housing and Urban Renewal Authority shall offer for sale each of the five hundred (500) home lots it established pursuant to § 5133 and which it is authorized to lease pursuant to Subsection (d) of that section.

(b) The sale of lots authorized by Subsection (a) of this Section shall be made to the original lessee of the lots or to the persons, legal or natural, lawfully holding under them.

(c) Each lot shall be sold for Two Thousand Five Hundred Dollars (\$2,500).

(d) Receipts from any sale shall be deposited in a special fund kept separate and apart from other funds of the government of Guam. The Fund shall be known as the "GHURA 500 Lot Sale Fund." The custodian of the Fund shall be the Executive Director of the Guam Housing and Urban Renewal Authority. The Fund balance shall be reported to *I Liheslaturan Guåhan* (the Legislature) at the beginning of each quarter.

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The Fund may be expended within the discretion and purview of the Board of Commissioners of the Guam Housing and Urban Renewal Authority.

SOURCE: GC § 13956.3 added by P.L. 16-090. Subsection (d) amended by P.L. 32-194:2 (Oct. 13, 2014).

ARTICLE 2
LOW INCOME HOUSING PROGRAM

- § 5201. Purpose.
- § 5202. Conveyance.
- § 5203. Identification of Units.
- § 5204. Rental Priorities.
- § 5205. Report.
- § 5206. Housing for Elderly and Handicapped Persons.

§ 5201. Purpose.

In accordance with the powers conferred upon it by Article 1 of this Article and in conjunction with its responsibilities as a "public housing agency" within the meaning of the Federal Housing Act of 1937, as amended, as a "local public agency" within the meaning of Title I of the Federal Housing Act of 1949, as amended, the Board of Commissioners of Guam Housing and Urban Renewal Authority is directed to take cognizance of the unmet housing needs for persons of low and moderate income in the communities of Umatac, Merizo, Inarajan, Talofofo and Agat-Santa Rita. In order to help alleviate the serious shortage of safe, sanitary and decent housing which exists for persons of low and moderate incomes in those communities, the Board of Commissioners shall request the U.S. Department of Housing and Urban Development for permission to situate the one hundred ninety-five (195) low income housing units which have been authorized for construction funding on Guam during federal fiscal year 1979 in the aforesaid communities according to the following distribution:

COMMUNITY	NUMBER OF HOMES
Umatac	27
Merizo	28

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Inarajan	28
Talofofu	28
Agat-Santa Rita	84

SOURCE: GC § 13957, as added by P.L. 14-111.

§ 5202. Conveyance.

In order to facilitate the immediate construction of the one hundred ninety-five (195) low income housing units specified in § 5201 of this Article, the Legislature directs that such government land as is reasonably necessary for the development of the projects shall be conveyed in fee to the Guam Housing and Urban Renewal Authority. The Governor, subject to the approval of the Guam Legislature, is authorized to execute such documents of conveyance necessary to effectuate the transfer of title notwithstanding any other provisions of the laws of Guam to the contrary. The Recorder of the Department of Land Management, upon presentation of the requisite documents of conveyance necessary to effectuate the transfer of title, shall record the instruments and forthwith issue Certificates of Title identifying the Guam Housing and Urban Renewal Authority as the owner of the fee of the properties to be conveyed.

SOURCE: GC § 13958, as added by P.L. 14-111.

§ 5203. Identification of Units.

The Director of Land Management is directed to cooperate fully with the Authority in the task of promptly and properly identifying the amounts of land in each of the communities identified in § 5201 that would be reasonably necessary for the development of the projects. The description of the work to be performed in each community as a project does not require that all of the units authorized for a given community be contiguous one to another. Whenever feasible, units shall be sited so as to take advantage of the infrastructure provided by existing government subdivisions.

SOURCE: GC § 13959, as added by P.L. 14-111.

§ 5204. Rental Priorities.

The Board of Commissioners of Guam Housing and Urban Renewal Authority, within the administrative powers conferred upon it by this Article and insofar as it shall be consistent with any supervening Federal law, shall develop a set of priorities in accordance with the

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Administrative Adjudication Act for the rental of the low income housing units which shall favor tenancy first by residents of the individual communities at the time of the enactment of this Act and secondly by former residents at the time of the enactment of this Act. The specific purpose of the priorities set forth is to encourage the maintenance of family units indigenous to the communities so that there will be no further weakening of the culturally valuable phenomenon of the "extended family."

SOURCE: GC § 13960, as added by P.L. 14-111.

§ 5205. Report.

The Board of Commissioners of Guam Housing and Urban Renewal Authority shall submit a report to the Legislature on the progress made in accomplishing the objectives of this Article six (6) months after it shall have become law and continue to make reports every six (6) months thereafter until construction of all one hundred ninety-five (195) units shall have been completed.

SOURCE: GC § 13961, as added by P.L. 14-111.

§ 5206. Housing for Elderly and Handicapped Persons.

(a) In order to meet the housing needs of low-income elderly and handicapped persons residing in Guam, the Governor shall convey to Guam Housing and Urban Renewal Authority the following pieces of real property:

(1) Tract 170 (Part), Dededo, containing an area of 618,807 ± square feet, as shown on Drawing 45-1079 prepared by Sian, DeCastro & Co., Inc.

(2) Tract 170 Rem-1A, Dededo, containing an area of 355,984 ± square feet, as shown on Drawing JCTA-S-21-79 prepared by Juan C. Tenorio & Associates.

(3) Lot 471-1, Agat, containing an area of 59,584 ± square feet, Lot 471-G, Agat, containing an area of 8,91 ± square feet, and Lot 471-R1, containing an area of 118,967 ± square feet, all of which are formerly a part of Lot 266-1, Agat, and all of which are shown on Drawing JCTA-S-25-79 prepared by Juan C. Tenorio & Associates.

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(b) The transfer mandated by this Section shall be made by the Governor within sixty (60) days after the survey maps have been recorded by the Department of Land Management.

(c) The provisions of P.L. No. 12-226 commonly known as the "Chamorro Land Trust Act" shall not apply to any land conveyed pursuant to the authority contained in Section 1 of this Section.

SOURCE: GC § 13952.1, as added by P.L. 15-133.

NOTE: Section 5206 Housing for the Elderly and Handicapped was added apart from Article 2 by P.L. 15-133. However, since the property was conveyed to GHURA, the Compiler deemed it more appropriate to include this Section within this Article rather than placing it within Title 21 of this Code.

ARTICLE 3
DEVELOPMENT OF RESIDENTIAL SUBDIVISIONS

- § 5301. General Definitions.
- § 5302. Subdivisions Identified.
- § 5303. Transfer to Guam Housing and Urban Renewal Authority.
- § 5304. Preferences.
- § 5305. Same: Exception.
- § 5306. Approval of Subdivision Plans.
- § 5307. Lease of Property for Use in Accordance With the Plan.
- § 5308. Grant: Establishment of Special Fund.
- § 5309. Revolving Fund.
- § 5310. Acquisition of Substandard Dwelling.
- § 5311. Maintenance of Substandard Dwellings.
- § 5312. Permanent Disposition of Substandard Dwelling.

§ 5301. General Definitions.

As used in this Article:

(a) Authority means the Guam Housing and Urban Renewal Authority.

(b) Board means the Board of Commissioners of the Guam Housing and Urban Renewal Authority.

(c) Grant means a sum not in excess of Seven Thousand Dollars (\$7,000) which the Authority shall pay directly to home

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purchasers in accordance with rules and regulations adopted by the Board. Said rules and regulations shall include, among others, provisions setting forth the criteria for eligibility for the subsidies, provided that the subsidies shall only be available as provided in § 5307 of this Article.

(d) Plan means a subdivision plan which includes, but is not limited to, a comprehensive development plan for a residential subdivision. The plan shall include the plotting of lots, mapping, layout and design of all streets and utilities and may include the construction of housing units for rental, lease or sale.

The plan shall also include open areas and recreational facilities sufficient to meet the needs of the residents of the subdivision. The plan shall be in substantial conformance with the provisions of 21 GCA Chapter 62 [Subdivision Law], except where the Board finds such provisions impractical.

The plan shall include provisions for relocation of persons displaced by the construction of the subdivision and a provision for paying relocation expenses to such individuals in accordance with 21 GCA Chapter 17 known as the Relocation Assistance Act.

The plan shall, to the greatest extent possible, include provisions for federal funding, adopted in accordance with the provisions of § 5305 of this Article.

(e) Family means two (2) or more persons related by blood or marriage living together as a household, the head of which is a United States citizen or permanent resident alien.

(f) Person means any individual, a natural person or head of household who is a U.S. citizen or permanent resident alien.

(g) Developable real property means property upon which a residential dwelling could be built in accordance with applicable law without the necessity of the developer incurring extraordinary or unreasonable costs for the site preparation.

(h) Substandard dwelling means a housing unit which is a wooden or tin structure and non-typhoon proof.

SOURCE: GC § 13965, as added by P.L. 15-127.

NOTE: Pursuant to the authority granted by 1 GCA § 1606, numbers and/or letters were altered to adhere to the Compiler's alpha-numeric scheme, and the reference

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to the Government Code chapter in subsection (d) was altered to reflect the codification of this chapter and title in the GCA.

§ 5302. Subdivisions Identified.

(a) Pigua Subdivision (Merizo): Pigua Subdivision, as used in this Article, means the government of Guam land located in the municipality of Merizo designated as Lot No. 505-R6, land square 38, Sections 2 and 3 comprised of approximately 5,221,607 square feet/485,105 ± square meters as described on Drawing No. JCTA-S-07-79 and recorded in the Department of Land Management, government of Guam, on May 11, 1979 under Document No. 302213.

(b) Pagachao Subdivision (Agat): Pagachao Subdivision, as used in this Article, means that government of Guam land located in the municipality of Agat, designated as Lot 350-R5, land square 31, Section 1 comprised of 6,082,474 ± square feet as described on Drawing No. RTDC-402-79 and recorded in the Department of Land Management, government of Guam, on May 7, 1979 under Document No. 302067.

(c) Umatac Subdivision: Umatac Subdivision, as used in this Article, means that government of Guam land located in the municipality of Umatac, designated as Lot Nos. 253-2 and 253-R2, land square 33 and 38, Sections 2 and 3 comprised of 64,189 ± square meters as described on Drawing No. JCTA-S-01-79 and recorded in the Department of Land Management, government of Guam, on May 11, 1979 under Document No. 302214.

(d) Inarajan Subdivision: Inarajan Subdivision, as used in this Article, means that government of Guam land located in the municipality of Inarajan designated as Lot No. 354-R2, land square 37, Section 1 comprised of approximately 3,638,979 square feet/388,074 square meters as described on Drawing No. JCTA-S-00-3-78 and recorded in the Department of Land Management, government of Guam, on May 11, 1979 under Document No. 302215.

(e) Talofoto Subdivision: Talofoto Subdivision, as used in this Article, means that government of Guam land located in the municipality of Talofoto, designated as Lot No. 402-R2, land square 28, Section 3 comprised of approximately 6,506,224 square feet as described on Drawing No. CC-7833T and recorded in the Department of Land Management, government of Guam, on May 11, 1979 under Document No. 302249.

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(f) Maimai Subdivision (Sinajana): Maimai Subdivision, as used in this Article, means that government of Guam land located in the municipality of Sinajana designated as Lot No. 3420, containing an area of 173,447.45 square feet.

SOURCE: GC § 13965.1, as added by P.L. 15-127.

2013 NOTE: Pursuant to the authority granted by 1 GCA § 1606, numbers and/or letters were altered to adhere to the Compiler's alpha-numeric scheme.

§ 5303. Transfer to Guam Housing and Urban Renewal Authority.

Notwithstanding any other provisions of law, the Governor shall convey from the government of Guam to the Authority the subdivisions defined in § 5302 of this Article. Provided, however, the Governor shall reserve for the government of Guam only such property as is reasonably required for the public school now existing in the Inarajan subdivision. Provided, however, that the Governor shall reserve for the government of Guam approximately thirty-two (32) acres adjacent to the Inarajan Junior High School in Lot 354-R2, land square 37, Section 1, as shown in Drawing JCTA-S-00-3-78 and recorded in the Department of Land Management, government of Guam, on May 11, 1979 under Document 302215. The conveyance shall be made within thirty (30) days after the passage of this Article.

SOURCE: GC § 13965.2, as added by P.L. 15-127 and amended by P.L. 16-81.

§ 5304. Preferences.

The Authority is authorized to develop and lease, for not longer than ninety-nine (99) years, land and to sell improvements within any of the subdivisions enumerated or established by this Article, in accordance with the approved plan for the respective subdivisions. Such leases of land shall be in accordance with the disposition policy established by the Authority subject to the following preferences:

(a) First preference shall be given to a person or family who is a bona fide resident or permanent resident alien who resided in the respective municipalities or villages where the referenced subdivisions are located prior to the enactment of this Article, and who is without fee title to any developable real property of his own.

(b) Second preference shall be given to a person or family who is without fee title to any developable real property who are bona fide residents of Guam or permanent resident aliens.

SOURCE: GC § 13965.3, as added by P.L. 15-127.

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2013 NOTE: Pursuant to the authority granted by 1 GCA § 1606, numbers and/or letters were altered to adhere to the Compiler's alpha-numeric scheme.

§ 5305. Same: Exception.

For the purposes of § 5304 of this Article, ownership by a person or family of real property upon which a substandard dwelling is constructed shall not bar the eligibility for the preferences established by § 5304 of this Article if the applicant person or family was residing in such substandard dwelling on the effective date of this Article and the real property upon which the substandard dwelling is constructed is acquired by the Authority in accordance with § 5310 of this Article.

SOURCE: GC § 13965.4, as added by P.L. 15-127.

§ 5306. Approval of Subdivision Plans.

(a) The Authority shall prepare or cause to be prepared subdivision plans and may utilize for this purpose the assistance and cooperation of any agency, public or private. Prior to its adoption of a subdivision plan, the Authority shall submit such plan to the Territorial Land Use Commission for review as to its conformity with the "Comprehensive Development Plan and Community Design Plan" and 21 GCA Chapter 62 [Subdivision Law] and shall issue a decision within thirty (30) days after receipt of a proposed subdivision plan from the Authority. The Land Use Commission shall submit its review and decision with respect to the proposed subdivision plan to the Authority for action. Upon approval of the plan by the Territorial Land Use Commission, the Authority may proceed with the public hearing prescribed by Subsection (b) of this Section.

(b) The Authority shall hold a public hearing on a proposed subdivision plan after public notice thereof. The notice shall describe the hour, date, place and purpose of the hearing, shall generally identify the subdivision area covered by the plan and shall outline the general scope of the proposed subdivision plan. The notice shall be published at least once a week for not less than two (2) successive weeks immediately prior to the date of the hearing, the first publication to be not less than ten (10) days prior to the date of the hearing, in at least once in a newspaper of general circulation in the community or locality in which the subdivision is situated, or, if there be no such newspaper, be posted in at least three (3) public places in the community or locality for not less than ten (10) days immediately prior to the date of the hearing. In the computation of

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the period of publication or posting, both the day of the first publication or posting and the day of the hearing shall be included.

(c) Within sixty (60) days after conclusion of the public hearing prescribed by Subsection (b) of this Section, the Authority shall consider and act upon the proposed subdivision plan and may, by resolution, adopt the subdivision plan.

(d) Within fifteen (15) days after the adoption of a subdivision plan by the Authority, it shall transmit to the Legislature the following:

(1) a certified copy of the subdivision plan as adopted by the Authority, if any;

(2) a summary report of the public hearing;

(3) a proposed financing plan for the plan to include estimated costs of subdivision activities, estimated return from the lease of project lands, and the proposed means of furnishing such local grants-in-aid as may be required for the project; and

(4) a proposed relocation plan specifying a feasible method, including temporary relocation measures proposed for the relocation of families or single persons displaced as a result of the project in decent, safe and sanitary houses within their financial means.

(e) The subdivision plan and the supporting documentation as listed in Subsection (d) of this Section shall be submitted by the Authority to the Legislature. The Legislature may approve or reject the same by resolution adopted by majority vote, but if no action to approve or reject the plan is taken by the Legislature within forty-five (45) calendar days after receipt of the plan, it shall be deemed rejected. Approval of the plan shall include findings that

(1) a feasible method has been found for the relocation of families displaced from the subdivision area into decent, safe and sanitary dwellings within their means and without undue hardship to such families;

(2) the subdivision plan conforms to the Comprehensive Plan for Guam; and

(3) the subdivision plan will afford maximum opportunity, consistent with the sound needs of Guam for the rehabilitation or redevelopment of the subdivision areas.

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If the subdivision plan is for a subdivision plan for which federal financial aid is contemplated under the Housing Act of 1949, as amended, the approval of the plan shall also include findings that federal financial aid is necessary to enable the project to be undertaken in accordance with the subdivision plan; and a determination and recognition that certain contributions or local grants-in-aid on the part of Guam, as determined in accordance with the Housing Act of 1949, as amended, and other applicable law, will be required for the subdivision plan.

(f) Upon approval of a subdivision plan by the Legislature, the Authority shall authorize the undertaking of the plan by the Authority in accordance with the subdivision plan.

(g) Upon the approval of a subdivision plan by the Legislature, the provisions of the subdivision plan with respect to the future use and building requirements applicable to the property covered by said plan shall be controlling with respect thereto and shall have the force and effect of law, and the Authority may thereafter carry out the plan.

(h) Any subdivision plan for an approved project shall be filed for record in the Department of Land Management in such a manner as to afford actual or constructive notice of the provisions of such plan. Thereafter, reference in any instrument or document to the provisions of such recorded plan and the recordation thereof shall be for all purposes the same as though the referred to provisions were set forth in such instrument or document.

SOURCE: GC § 13965.5, as added by P.L. 15-127.

§ 5307. Lease of Property for Use in Accordance With the Plan.

Subject to such requirements and procedures as the Federal Government may impose with respect to federally-aided subdivision plans, which shall in any event prevail:

(a) The Authority may lease, for not longer than ninety-nine (99) years, land or any interest therein acquired by it, may sell improvements, and may enter into contracts with respect thereto, in a subdivision for residential, recreational or for other public use, in accordance with the subdivision plan, subject to such covenants, conditions and restrictions, including covenants running with the land, as it may deem to be in the public interest or necessary to assist in preventing the development or spread of future slums or

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blighted areas or to otherwise carry out the purposes of this Article; provided that such lease of land, sale of improvements and any agreements relating thereto may be made only after the approval of the subdivision plan.

(b) The lessees shall be obligated to devote such land only to the uses specified in the subdivision plan, and may be obligated to comply with such other requirements as the Authority may determine to be in the public interest or the Federal Government may determine to be necessary as a condition of federal aid, including the obligations to begin and to complete within a reasonable time any improvements on such real property required by the subdivision plan and the new uses specified therein; provided that any obligation to begin construction of improvements shall not apply to mortgagees and others who acquire an interest in such property as the result of the enforcement of any lien or claim thereon.

(c) The Authority is authorized to lease lots in the subdivisions authorized by this Article at their market value.

(d) Special Provisions for Coastal Land. Notwithstanding any other provisions of this Article, the Authority is authorized to exchange lots in the subdivision for lots lying within the seashore reserve as defined by 21 GCA § 63103(c). Said exchange shall be made only in the case where a person or family is residing on a lot within the seashore reserve and exchanges said lot for a lot within the subdivision upon which it will reside. Each of the lots will be valued at its fair market value. In determining the fair value of lots in the subdivision for uses in accordance with the subdivision plan, the Authority shall take into account and give consideration to the uses provided in such plan; the restrictions upon and the covenants, conditions and obligations assumed by the owners of such lots in a subdivision area; and the objectives of such plan for the prevention of the recurrence of slum or blighted areas. The Authority may retain or employ qualified appraisers and land valuation experts to appraise the value of such real property in accordance with the standards here prescribed, which appraisals shall be advisory in nature only for the purpose of aiding and assisting the Authority in finding, determining and establishing the fair value of such real property for uses in accordance with the subdivision plan.

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No person or family shall be entitled to more than one (1) subdivision lot. The Board of Commissioners of the Authority shall provide rules and regulations for the implementation of this Section.

(e) The Authority shall provide in any lease or other agreement that the lessee shall be without the power to sublease or otherwise transfer the land without the prior written consent of the Authority. The Authority shall provide in any such lease or other agreement that the lessee shall be without power to sell, lease or otherwise transfer any improvements upon the lot without the prior written consent of the Authority. The Authority shall provide, in any such lease or agreement, that such real property shall revert to or revert in the Authority at its discretion, upon a breach or violation of any condition, covenant, restriction, undertaking or other requirements relating to the use of the property or otherwise without relieving any lessee of any obligation assumed by such lessee, and without liability on the part of the Authority for any claim arising from such retesting or reversion. The Authority, upon a certification by it to a court of competent jurisdiction that any lessee has breached or violated any condition, covenant, restriction, undertaking or requirement, shall be entitled to immediate relief (without bond or liability for damages) restraining and enjoining any such breach or violation, pending the determination of the issues in the controversy.

(f) The lease or other agreement for each lot shall contain a restraint on the alienation of improvements on the lot for a period of ten (10) years after the lease is executed. The lease or other agreement shall grant the Authority an option, after the initial ten (10) year period, to purchase the improvements on said lot at the fair market value of the improvements. The Authority shall sell the improvements to a person or family qualifying to lease the lot under § 5304 of this Article. The Authority shall provide by rule or regulation for the purchase of improvements on such lots under uniform conditions. The restraint provided for by this Section shall not prohibit the transfer of such improvements by devise or descent if the beneficiary qualifies under § 5304 of this Article to lease the lot. Nothing in this Article shall prevent a mortgagee from foreclosing the interest of any mortgagor in default on a mortgage or deed of trust entered as security for financing the improvement of a lot in one of the subdivisions identified in § 5302 of this Article. In the event of foreclosure or any proceeding in lieu thereof, the

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mortgagee may convey the improvement to any buyer. Such conveyance shall not be subject to any of the restrictions of § 5303 of this Article.

(g) The inclusion in any such lease or other agreement of any of the covenants, restrictions or conditions provided in Subsections (a), (b), (c) and (d) of this Section including the incorporation by reference therein of the provisions of a subdivision plan or any part thereof, shall not prevent the filing of such contract or conveyance in the Department of Land Management in such a manner as to afford actual or constructive notice thereof.

(h) Real property acquired by the Authority which, in accordance with the provisions of the subdivision plan, is to be leased, shall be leased as rapidly as feasible in the public interest consistent with the carrying out of the provisions of the subdivision plan.

SOURCE: GC § 13965.6, as added by P.L. 15-127.

NOTE: Pursuant to the authority granted by 1 GCA § 1606, the reference to the Government Code section in subsection (d) was altered to reflect the codification of this section in the GCA.

§ 5308. Grant: Establishment of Special Fund.

There is authorized to be appropriated the sum of Two Hundred Fifty Thousand Dollars (\$250,000) to the Guam Housing and Urban Renewal Authority (GHURA) for the purpose of subsidizing directly home purchasers under Preferences 1 and 2 due to insufficient income, who would not otherwise qualify for home mortgage financing. In no case shall such grant exceed Seven Thousand Dollars (\$7,000) per purchaser. A special fund shall be established to account for the subsidies herein authorized under rules and regulations adopted therefor by the Guam Housing and Urban Renewal Authority. Such rules and regulations shall include, among other things, provisions setting forth the criteria for eligibility to the subsidies.

SOURCE: GC § 13965.7, as added by P.L. 15-127.

§ 5309. Revolving Fund.

There is appropriated from the General Fund the sum of Two Hundred Fifty Thousand Dollars (\$250,000) to the Guam Housing and Urban Renewal Authority (GHURA) for the purpose of establishing a revolving fund. The money in the revolving fund shall be used for the

purpose of meeting current obligations incurred in the development or construction of the subdivisions in this Article and to acquire substandard dwellings. The Board shall authorize current payments to its contractors or suppliers and proceeds of sales in the housing project shall be deposited in the fund.

SOURCE: GC § 13965.8, as added by P.L. 15-127.

§ 5310. Acquisition of Substandard Dwelling.

(a) The Authority is authorized to acquire the real property upon which a substandard dwelling is constructed when such substandard dwelling is occupied by a family who were if not for ownership of such real property, would otherwise be eligible for a preference classification under § 5304 of this Article.

(b) The acquisition of such real property shall be in accordance with such terms and conditions as the Board shall prescribe by uniform regulation.

SOURCE: GC § 13965.9, as added by P.L. 15-127.

2013 NOTE: Subsection designations added to adhere to the Compiler's alphanumeric scheme in accordance to the authority granted by 1 GCA § 1606.

§ 5311. Maintenance of Substandard Dwellings.

Upon acquisition of title of real property upon which substandard dwellings are constructed, the Authority shall take such steps as are necessary to protect the health and safety of persons living in the immediate vicinity of said dwellings and to this end, the Authority may cause such dwellings to be razed or rehabilitated. The Authority may temporarily convert such real property into parks, devote it to some other public use or utilize it for low-rent public housing after appropriate rehabilitation.

SOURCE: GC § 13966, as added by P.L. 15-127.

§ 5312. Permanent Disposition of Substandard Dwelling.

From time to time, the Authority shall prepare comprehensive plans for the redevelopment of real property that it acquires in accordance with § 5310 of this Article. The plans may provide for the selling, leasing or renting of said property with or without improvements. The property may also be turned over to other branches of the Government. On approval of the plan by the Board of Commissioners, the property shall be disposed of or utilized in accordance with said plan.

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SOURCE: GC § 13966.1, as added by P.L. 15-127.

ARTICLE 4
DEVELOPMENT OF AS-TUMBO SUBDIVISION

- § 5401. General Definitions.
- § 5402. Subdivisions Identified.
- § 5403. Transfer to Guam Housing and Urban Renewal Authority.
- § 5404. Development of Subdivision.
- § 5405. Sale of Lots.
- § 5406. Selection of Buyers.
- § 5407. Same: Time Period.
- § 5408. Disposal of Property for Use in Accordance With Plan.
- § 5409. As-Tumbo Subdivision Fund.
- § 5410. Land Use Permits and Agricultural Permit Program Tenants.
- § 5411. Rules and Regulations.
- § 5412. Development of Affordable Housing.
- § 5413. Sale of Affordable Homes.
- § 5414. Deed Covenants.
- § 5415. Resale or Conveyance.

§ 5401. General Definitions.

As used in this Article:

(a) Authority means the Guam Housing and Urban Renewal Authority.

(b) Board means the Board of Commissioners of the Guam Housing and Urban Renewal Authority.

(c) Plan means that subdivision plan described in the Consolidation Survey Map of Lot Numbers 10124-1, 10124-2 and 10124-3, Dededo, Guam into Tract 240, and in the Subdivision Survey Map of Tract 240, Dededo, Guam for single-family dwellings and for two-family duplex dwellings. ‘Duplex’ means a residential building containing two (2) separate dwelling units, either side-by-side or one (1) above the other. The plan shall include:

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(1) the platting of lots, mapping, layout and design of all street and utilities;

(2) the provision of open spaces and recreational facilities sufficient to meet the needs of the residents of the subdivision; and

(3) the requirement that duplexes may only be constructed on lots within the subdivision that are serviced by adequate sewer lines, as certified in writing by Guam Waterworks Authority and the Guam Environmental Protection Agency. The plan shall otherwise be in substantial conformance with the provisions of 21 GCA Chapter 62 (Subdivision Law), except where the Board finds such provisions impractical. The plan shall also provide adequate protection for the sink hole, and for a safety margin to prevent any development in the sink hole, and shall include provisions to relocate persons displaced by the construction of the subdivision and to pay relocation expenses to such displaced persons.

(d) The plan mentioned in (c) above shall, to the greatest extent possible, include provisions for federal funding. Specifically, the Authority is directed to use Six Hundred Thousand Dollars (\$600,000) made available or to be made available to it by the Secretary of the United States Department of Housing and Urban Development as a disbursement from the Secretary's discretionary funds.

(e) Family means two (2) or more persons related by blood or marriage living together as a household, the head of which is a United States citizen or permanent resident.

(f) Single person means an adult who is unmarried, widowed, divorced or is living separately from his spouse in accordance with a decree of separate maintenance entered by a court of competent jurisdiction.

SOURCE: GC § 13940, as added by P.L. 14-138. Subsection (3) repealed and reenacted by P.L. 22-70:2; amended by P.L. 25-114:2.

2013 NOTE: Pursuant to the authority granted by 1 GCA § 1606, numbers and/or letters were altered to adhere to the Compiler's alpha-numeric scheme.

§ 5402. Subdivisions Identified.

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As-Tumbo Subdivision as used in this Article means the cadastral Lot Nos. 10124-R3, 10124-1, Part of Lot 10123 as shown on Land Management Map No. 364-FY74, said land located in the area known as-Tumbo in the municipality of Dededo.

SOURCE: GC § 13941, as added by P.L. 14-138.

2013 NOTE: Subsection designation deleted to adhere to the Compiler's general codification scheme in accordance to the authority granted by 1 GCA § 1606.

§ 5403. Transfer to Guam Housing and Urban Renewal Authority.

Notwithstanding any other provision of law, all title and interest in the subdivision defined in § 5402 of this Article, is hereby transferred to the Guam Housing and Urban Renewal Authority. The Governor shall, within thirty (30) days of the passage of this Act, cause the necessary deeds and other papers to be executed and recorded at the Department of Land Management, government of Guam, to reflect the fact that title to said subdivision has been transferred to the Guam Housing and Urban Renewal Authority.

SOURCE: GC § 13942, as added by P.L. 14-138.

§ 5404. Development of Subdivision.

The Authority is authorized and directed to cause the development of the subdivision in accordance with the subdivision plan described in the Consolidation Survey Map of Lots Nos. 10124-1, 10124-2 and 10124-R3, Dededo, into Tract 240 and in the Subdivision Survey Map of Tract 240 for single-and two-family residential dwellings and in order to do so, may enter into contracts with other government agencies or private companies for all necessary service

SOURCE: GC § 13943, as added by P.L. 14-138. Amended by P.L. 22-70:3.

§ 5405. Sale of Lots.

Notwithstanding any law, rule or regulation to the contrary, the Authority is authorized to sell lots within the subdivision established by this Chapter for less than fair market value. Such sales shall be made only to either a single person or a family who are bona fide residents of Guam. Such sales shall be in accordance with and limited to the following preferences:

- (a) First preference shall be given to those families who were, on August 25, 1978, residing within the subdivision area under a Land Management Land Use Permit and continue to reside there, or

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to families who reside under a Land Management Land Use Permit or Department of Agriculture Land Use Permit on government land which has been designated as a water conservation area as indicated on the Bureau of Planning Land and Water Natural Resources Map who are without fee title to any real property, in or out of the territory, and whose income does not exceed the limits established for a low-income family or a single person residing in low rent housing projects operated by the Authority.

(b) Second preference shall be given to those families or heads of a household, as defined by the U.S. Internal Revenue Code, who are, pursuant to a Land Management Land Use Permit, residing on government land designated as a low density area on the Bureau of Planning Land and Natural Resources Map, are without fee title to any real property in or out of the territory, and whose income does not exceed the limits established for a low-income family or a head of a household, as defined by the U.S. Internal Revenue Code, residing in low rent housing projects operated by the Authority.

(c) Third preference shall be given to the other eligible families residing on government land under a Land Management Land Use permit who are without fee title to any real property in or out of the territory, and whose income does not exceed the limits established for a low-income family or a head of a household, as defined by the U.S. Internal Revenue Code, residing in low rent housing projects operated by the Authority.

(d) Fourth preference shall be given to tenants of low-rent housing programs operated by the Guam Housing Corporation or the Authority who are without fee title to any real property in or out of the territory, and whose income does not exceed the limits established for a low-income family or a head of a household, as defined by the U.S. Internal Revenue Code, residing in low rent housing projects operated by the Authority.

(e) Except for those families who were on August 25, 1978, residing within the As-Tumbo Subdivision, in carrying out the provisions of this section, the Authority shall require a sworn statement from each applicant except first preference applicants as to such applicant's ownership of land in Guam or elsewhere. Each deed shall be subject to a right of reverter to the Authority if

(1) such statement on non-ownership was false or

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(2) the grantee(s) sells or leases to a third party any of the property after the date of execution of the deed.

(f) Families who reside in water conservation areas under the First Preference, and those eligible under the Second, Third and Fourth Preferences set out in this Section 13944 shall be chosen by lottery to be conducted no later than June 30, 1990.

SOURCE: GC § 13944, as added by P.L. 14-138. Amended by P.L. 20-113:1.

2013 NOTE: Pursuant to the authority granted by 1 GCA § 1606, numbers and/or letters were altered to adhere to the Compiler's alpha-numeric scheme.

§ 5406. Selection of Buyers.

The Authority shall, by resolution, establish an application period or periods of reasonable length. During the application period, the Authority shall accept applications to purchase lots within the subdivision. After the close of the application period, the Authority shall review all applications and for applicant families or single persons who are found eligible assign preferences to each application. Within each preference, a priority number shall be assigned. Said priority number shall be established by lot. The Authority shall dispose of the lots by selling them first to first preference families or single persons in the order of their respective priority numbers. When all families or single persons submitting first preference applications have been offered lots, the remaining lots shall then be offered in the same manner to second preference applicant families or single persons with any remaining lots then offered in the same manner to third preference applicant families or single persons and if any lots then remain, such lots are to be offered to fourth families in the same manner. The priority number system shall be used to determine which purchaser shall be entitled to which lot and shall also govern in the case that there are more purchasers in a preference category than lots available.

SOURCE: GC § 13945, as added by P.L. 14-138.

§ 5407. Same: Time Period.

The sale of lots shall begin as soon as practicable after the close of the application period. After determination of eligibility, each applicant shall, prior to the expiration of a time set by the Authority, make arrangement to purchase his lot. The Authority shall time the expiration of the application period and the other time periods involved in such a

manner that contracts for sale of all lots will have been entered into by the estimated date of completion for the subdivision.

SOURCE: GC § 13946, as added by P.L. 14-138.

§ 5408. Disposal of Property for Use in Accordance With Plan.

Subject to such requirements and procedures as may be imposed as a condition of and which shall in any event prevail:

(a) The Authority may sell real property or any interest therein acquired by it and may enter into contracts with respect thereto in the subdivision area for residential use in accordance with the subdivision plan subject to such covenants, conditions and restrictions, including covenants running with the land as it may deem to be in the public interest or necessary to assist in preventing the development or spread of future slums or blighted areas or to otherwise carry out the purposes of this Article; provided that such sale may be only after the approval of the subdivision plan and installation of sewer lines.

(b) The purchasers and their successors and assigns shall be obligated to devote such real property only to the same specified in the subdivision plan and may be obligated to comply with such other requirements as the Authority may determine to be in the public interest or the Federal Government may determine to be necessary as a condition of federal aid, including the obligations to begin and to complete within a reasonable time any improvements on such real property required by the subdivision plan and the new uses specified therein; provided that any obligation to begin construction of improvements shall not apply to mortgagees and others who acquire an interest in such property as the result of the enforcement of any lien or claim thereon.

(c) The Authority is authorized to sell the lots in the subdivision authorized by this Chapter at less than fair market value of the lots; provided, that the price of a lot shall not exceed Two Thousand Five Hundred Dollars (\$2,500). The Authority shall collect a down payment of ten percent (10%) of the purchase price of each lot, but not to exceed Two Hundred Fifty Dollars (\$250), and shall institute a periodic payment plan to cover the payment of the balance of the purchase price, which plan shall not exceed three (3) years.

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(d) Except as provided for in §§ 5414 and 5415 of this Article, the Authority in any instrument of conveyance to a purchaser may provide that such purchaser shall be without the power to sell, lease or otherwise transfer the real property without the prior written consent of the Authority until the person has completed the construction of any and all improvements which the person has obligated that person to construct thereon, and the Authority may provide, in any such instrument of conveyance, that such real property shall revert to or revest in the Authority, at its discretion, upon a breach or violation of any condition, covenant, restriction, undertaking or other requirements relating to the use of the property or otherwise without relieving any purchaser and successors or assigns of any obligation assumed by such purchaser, and without liability on the part of the Authority for any claim arising from such retesting or reversion. The Authority, upon a certification by it to a court of competent jurisdiction that any purchaser, their successors and assigns has breached or violated any condition, covenant, restriction, undertaking or requirement, shall be entitled to immediate relief, without bond or liability for damages, restraining and enjoining any such breach or violation, pending the determination of the issues in the controversy.

(e) The inclusion in any such contract or conveyance to a purchaser of any of the covenants, restrictions or conditions provided in Subsections (a), (b), (c) and (d), including the incorporation by reference therein of the provisions of a subdivision plan or any part thereof shall not prevent the filing of such contract or conveyance in the Department of Land Management in such a manner as to afford actual or constructive notice thereof.

(f) Real property acquired by the Authority which, in accordance with the provisions of the subdivision plan is to be transferred, shall be transferred as rapidly as feasible in the public interest consistent with the carrying out of the provisions of the subdivision plan.

(g) Where necessary, the Authority shall assist applicants in arranging for financing of such purchase at terms favorable to the applicant and in so doing, the Authority is directed to take cognizance of such programs as are available from the Farmer's Home Administration, Federal Housing Administration, Veterans

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Administration, Guam Housing Corporation and other federal and local lenders and guarantors, both public and private.

SOURCE: GC § 13947, as added by P.L. 14-138. Paragraph (c) amended by P.L. 22-70:4. Subsection (d) amended by P.L. 25-129:3.

§ 5409. As-Tumbo Subdivision Fund.

The sum of Three Hundred Thousand Dollars (\$300,000) is hereby transferred from the revolving fund created by Section 3 of P.L. 14-5 as amended by P.L. 14-57, 14-92 and 14-137, to the Guam Housing and Urban Renewal Authority (GHURA) for the purpose of establishing the As-Tumbo Subdivision Revolving Fund. The money in said revolving fund shall be used for the purpose of meeting current obligations incurred in the development or construction of the subdivision in this Article. The Board shall authorize current payments to its contractors or suppliers and proceeds of sales of lots in the subdivision shall be deposited in the fund. Any balance remaining at the conclusion of the project shall be paid over to the General Fund.

SOURCE: GC § 13948, as added by P.L. 14-138.

§ 5410. Land Use Permits and Agricultural Permit Program Tenants.

The Director of Land Management shall give written notification to all tenants under Land Use Permits and the Agricultural Permit Program that they may be eligible for a lot in the subdivision and shall furnish a list of such tenants to the Authority on the first day of the application period established in § 5407 of the Article.

SOURCE: GC § 13949, as added by P.L. 14-138.

§ 5411. Rules.

(a) The Board shall promulgate reasonable rules and regulations, pursuant to the Administrative Adjudication Law, to effect the purpose of this Chapter, which regulations shall include requirements that:

(1) the grantee(s) must personally occupy the property conveyed and not lease it to others;

(2) the property may not be conveyed by the grantee(s) to a third party, except that a mortgage to a bona fide lending institution or a non-profit corporation organized under the laws of Guam that has been approved by GHURA to secure funds to construct a

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residence on the property shall not be a violation of such rule, even if such mortgage is foreclosed; and

(3) each deed of conveyance shall contain a right of reverter clause to the Authority in the event such regulations are violated.

(b) Exception. Notwithstanding any law, rule or regulation to the contrary, the Board is authorized to grant an exception to the As Tumbo Subdivision or other Guam Housing and Urban Renewal Authority (GHURA) Subdivisions program requirements to allow a grantee(s) to lease conveyed property temporarily while receiving extended rehabilitative or life threatening medical treatment off island. GHURA shall promulgate any rules, regulations, and/or procedures to effectuate this act, including provisions to document and verify that treatment as certified by two (2) licensed physicians is not available on island and that the off island treatment has been scheduled through the Administrative Adjudication Law. Additionally, the grantee(s) shall report to the Board periodically on the status of their treatment. Within sixty (60) days after enactment of this Act, the GHURA Board shall develop and submit the rules and regulations required under this Section pursuant to the Administrative Adjudication Law.

(c) Notwithstanding any law, rule or regulation to the contrary, any grantee who is permitted the construction of a duplex dwelling in the conveyed property in the Subdivision is hereby authorized to rent or lease one (1) unit of the duplex dwelling to a third party. The Authority may establish and provide a list of prospective lessees pursuant to this Subsection who qualify as low or moderate income families.

SOURCE: GC § 13950, as added by P.L. 14-138. Amended by P.L. 20-113:2. Amended by P.L. 24-138:2. Subsection (c) added by P.L. 25-114:3. Subsection (a) amended by P.L. 25-129:3.

2013 NOTE: Pursuant to the authority granted by 1 GCA § 1606, numbers and/or letters were altered in subsection (a) to adhere to the Compiler's alpha-numeric scheme.

§ 5412. Development of Affordable Housing.

Effective March 1, 2000, the Authority may, notwithstanding any law, rule or regulation to the contrary, develop affordable housing within the As-Tumbo Subdivision on any lot that has not yet been conveyed to a buyer in accordance with the provisions of this Article, including:

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(a) lots that have been assigned to an applicant, but for which the applicant has not entered into a contract of sale with the Authority; and

(b) lots that are subject to a contract of sale, where the buyer has defaulted on the contract or breached a provision thereof, or where the contract has been rescinded, cancelled or otherwise terminated.

SOURCE: Added by P.L. 25-129:4.

§ 5413. Sale of Affordable Homes.

(a) Notwithstanding any law, rule or regulation to the contrary, the Authority shall sell the properties developed pursuant to § 5412 of this Article for less than fair market value to families or heads of households who are lawful permanent residents or citizens of the United States and who are bona fide residents of Guam.

(b) Such sales shall be in accordance with and limited to the following preferences:

(1) first preference shall be given to tenants of low-rent housing programs operated by the Guam Housing Corporation or the Authority and adult children of grantees of lots in the As-Tumbo Subdivision who are without fee title to any real property of their own in or out of Guam and who qualify as low or moderate income; and

(2) second preference shall be given to any resident of Guam without fee title to any real property in or out of Guam and who qualifies as low or moderate income.

(c) In carrying out the provisions of this Section, the Authority shall require a sworn statement from each applicant as to such applicant's ownership of land on Guam or elsewhere. In case the applicant is a lessee of a Chamorro Land Trust residential lot, the applicant shall, immediately upon the purchase of a property or an affordable home in the As-Tumbo Subdivision, cancel or surrender the applicant's lease of the residential lot with the Chamorro Land Trust Commission.

(d) The prospective purchaser shall secure approved loan or financing for the construction or purchase of a residence, or a conditional letter of intent or the equivalent.

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(e) Each deed shall be subject to a right of reverter to the Authority if:

- (1) such statement on non-ownership was false; or
- (2) the grantee(s) sells or leases to a third party any of the property after the date of execution of the deed contrary to the provisions of this Article.

(f) The Authority shall, by resolution, establish an application period or periods of reasonable length. During the application period, the Authority shall accept applications to purchase homes within the Subdivision. After the close of the application period, the Authority shall review all applications, and for applicant families or heads of households who are found eligible, assign preferences to each application. Within each preference, a priority number shall be assigned. Said priority number shall be established by lot. The Authority shall dispose of the homes by selling them first to first preference families or heads of households in the order of their respective priority numbers. When all families or heads of households submitting first preference applications have been offered homes, the remaining homes shall then be offered in the same manner to second preference applicant families or heads of households. The priority number system shall be used to determine which purchaser shall be entitled to which home and shall also govern in the case that there are more purchasers in a preference category than homes available.

(g) The sale of homes shall begin as soon as practicable after the close of the application period. After determination of eligibility, each applicant shall, prior to the expiration of a time set by the Authority, make arrangement to purchase his or her home.

(h) As used in §§ 5413-5415:

(1) 'First-time homeowner' means any family or head of a household who has not had any ownership interest in a home within the five (5) years preceding the date of application, or had an ownership interest in a home within the five (5) year preceding the date of application, but such interest was terminated by a decree of divorce or operation of law;

(2) 'Low or moderate income' means a family whose income does not exceed eighty percent (80%) of the median income for Guam, as defined in the U.S. Department of Housing Urban

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Development's housing assistance programs administered by the Authority; and

(3) 'Resident of Guam' means a United States citizen or permanent resident alien who has resided on Guam for a period of not less than five (5) years immediately preceding the date of application. An individual who has not been a five (5) year resident for the period immediately preceding the date of application shall be deemed a resident of Guam if the applicant's residency change was due to active service in the United States Armed Forces, or for attendance on a full-time basis at an institution of higher education; provided, that the applicant was a five (5) year resident for the period immediately preceding the start of such active duty or education.

SOURCE: Added by P.L. 25-129:5.

2013 NOTE: Pursuant to the authority granted by 1 GCA § 1606, numbers and/or letters were altered in subsection (e) to adhere to the Compiler's alpha-numeric scheme.

§ 5414. Deed Covenants.

(a) Except as provided for in § 5415 of this Article, the deeds conveying the properties developed pursuant to § 5412 of this Article shall, among other provisions agreed by the Board, contain:

(1) a covenant that for a period of ten (10) years commencing on the date of the conveyance, the grantee(s) or the heirs of the grantee(s) must personally occupy the property conveyed and not lease it to others;

(2) a covenant that for a period of ten (10) years commencing on the date of the conveyance, the grantee(s), may not convey or otherwise alienate the property to a third party, except that a mortgage to a bona fide lending institution to secure funds to purchase or construct a residence on the property or, that a mortgage to a non-profit corporation organized under the laws of Guam that has been approved by GHURA for the purpose of constructing a residence on the property, shall not be a violation of such rule even if such mortgage is foreclosed; and

(3) a right of reverter clause to the Authority in the event that any of the conditions, covenants or restrictions of the deed are violated.

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(b) Except as provided for in § 5415 of this Article, any covenants or restrictions in all existing deeds granted by the Authority pursuant to § 5401 through § 5411 of Title 12 of the Guam Code Annotated, are hereby and shall be deemed to be amended to terminate ten (10) years after the initial conveyance. As soon as practicable after the effective date of this provision, the Authority shall record with the Department of Land Management a document and release noting such amendment with respect to all affected lot numbers, and shall also give public notice of such amendment.

SOURCE: Added by P.L. 25-129:6.

§ 5415. Resale or Conveyance.

Notwithstanding any other provisions of law, rule or regulation to the contrary:

(a) after a period of one (1) year from the date of purchase of a lot or home pursuant to this Article, any grantee(s) may sell, convey or otherwise transfer the lot or home to that person's family member who is without fee title to any real property of that person's own, and whose income does not exceed the limits established for a low or medium income family or a head of a household residing in low rent housing projects operated by the Authority; provided, that in case of a sale, the prospective purchaser shall secure approved loan or financing for the construction or purchase of a residence, or a conditional letter of intent or the equivalent. In case the prospective purchaser is a lessee of a Chamorro Land Trust residential lot, the applicant shall, immediately upon the purchase of a property or an affordable home in the As-Tumbo Subdivision, cancel or surrender that person's lease of the residential lot with the Chamorro Land Trust Commission.

(b) After a period of five (5) years from the date of purchase of a lot or home pursuant to this Article, any grantee(s) may sell, convey or otherwise transfer the lot or home to a first-time homeowner who is a resident of Guam and whose income does not exceed the limits established for a low or medium income family or a head of a household residing in low rent housing projects operated by the Authority; provided, that in case of a sale, the prospective purchaser secures approved loan or financing for the construction of a residence, or a conditional letter of intent or the equivalent. In case the prospective purchaser is a lessee of a Chamorro Land Trust

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residential lot, the applicant shall, immediately upon the purchase of a property or an affordable home in the As-Tumbo Subdivision, cancel or surrender the applicant's lease of the residential lot with the Chamorro Land Trust Commission.

SOURCE: Added by P.L. 25-129:7.
