



GUAM PRESERVATION TRUST

INANGOKKON INADAHI GUA'HAN

P.O. Box 3036, Hagåtña, Guam 96932 • Tel: 671-472-9439/40 • Fax: 671-477-2047 • guampreservationtrust.org

The Honorable Telena C. Nelson
Committee on Education, Self Determination, and Historic Preservation,
Infrastructure, Border Safety, Federal and Foreign Affairs, and
Maritime Transportation,
I Mina'trentai Sais na Liheslaturan Guahan
163 Chalan Santo Papa
Hagatna, GU 96910

Dear Senator Nelson,

I write to you in support of Bill 208-36, an Act to repeal and reenact § 76602 of Article 6, Chapter 76, Title 21, Guam Code Annotated, relative to restoring funding collected for building permit fees to the Guam Preservation Trust Fund. With full restoration of funding collected from the building permit fees, I know that GPT's Board of Directors who hold the public's trust, will ensure that they are used for GPT's mandated purposes for the betterment of our community.

Let me begin by sharing with you and the public on what GPT is and what we are not. First, GPT is not a government agency. We are a public non-profit established by the 20th Guam legislature in 1990. We inherit a board that is appointed by the governor and confirmed by the legislature, with the Legislative Oversight Chairperson on historic preservation and the State Historic Preservation Officer sitting as ex-officio members on our board.

We may seem different from the Government of Guam, but we still share several commonalities. For example, although we are exempted in several provisions, we have adopted procurement regulations of the Government of Guam. We are subject to submit financial disclosures to the Guam Legislature. We must complete financial audits and report them to the Public Auditor and disclosing it to the public in our yearly Citizen Centric Reports. We cannot just go out and restore historic sites, but rather we need a delegation of authority from the Director of Public Works and clearance from the State Historic Preservation Office to do such work.

We are not a regulatory agency like the State Historic Preservation Office, or an office that signs off on permits. We are an organization that partners with that office when it comes to providing preservation treatments to our historic sites. We cannot sign as an official signatory on a programmatic agreement, only reserved to the federal partner and the SHPO, but we can sign on as a concurring party stepping up to provide our assistance and helping represent and voice our preservation community stakeholder's concerns when dealing with issues surrounding the National Historic Preservation Act and other policies concerned with public consultation. We are not the historic preservation policy makers as we ensure that our strategic plans follow the policy of this legislature and the Guam Historic Preservation Office State Plan.



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We are and have always worked closely with our government partners and transparent with our financial affairs. But as a public, non-profit corporation, one thing that really separates us from the government is that we are exempt from the Executive Budget Act. We don't come year after year like other agencies do to request funds for each fiscal year. And for many years, we didn't need to. We have been able to manage well when we were allotted 100% of the building permit fees and bridging those funds with our investment policy.

We have an investment policy that helps us grow funds that you give us. Our investment policy was needed as the cost of construction since 1991 has not decreased but rather increased substantially and shows no sign of slowing down. Likewise, many of our historic sites are only growing older by each day and when it is time for us to intervene, the costs to do so will also have increased. So, to help reach our capital improvement goals, our investments have allowed us to grow the funds we receive but this can only be successful when we receive 100% of all collected building permit fees.

Since the cut six years ago, we had to draw down from our investments to cover all our obligations and any financial investor will tell you that once you start doing so, the funds will eventually not grow as fast and continuous drawdowns will one day exhaust those investments and it will no longer grow. Additionally, while having successful and clean audits yearly, it has been noted in our management discussions and analysis and audit report with the Public Auditor since 2015 and yearly up to today, that a decrease in allotments and lower amounts in our investments we create financial challenges for the Trust to operate. These reports and analysis have been shared with the legislature yearly and for the past six years, we have like our partners in the government, found ways to reduce costs and work with that reality. While we have been successful to be awarded outside grant funds to help support preservation projects, it is not enough to cover the existing preservation needs our island faces. And now, we are here today because our current quarterly allotments and investment accounts can no longer cover the costs of preservation treatments such as restoration, rehabilitation, and reconstruction projects that we have in queue.

Dear Senators, the Guam Congress Building was one of the last capital improvement projects that we were able to complete so that you can conduct the challenging work needed to move our island forward in a building designed for the future and to be both environmentally friendly and respectful of our history. And we thank you for giving us that opportunity. We were shocked that even before we turned over the keys to complete the project, the 33rd Guam Legislature decided to cut our percentage of funding by half in the budget law for FY 2015 by crafting the language that cut our percentage to 50% in the miscellaneous provisions section of the bill. This was done without any public discussion or consultation with us or our board members.



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Consultation is an important word in the preservation community. We hear that word so much especially when our community deals with the U.S. military buildup. We say things need to be transparent and open so that we can provide meaningful public consultation. At GPT too, we understand that consultation is important, and we even trained our public to learn about the Section 106 process to understand their roles in providing meaningful consultation. Several senators in this legislature have attended our trainings. While stressing how important consultation is, as an organization who also believes in the spirit of Inafa' maolek, we were saddened that we were not provided proper consultation when it was determined to reduce our funding. Saddened even further that our preservation funds, though by statute was not to be used for government operations, was taken for such purposes and to destroy public buildings and restore non-historic structures.

My dear senators, I do not want to use your valuable time to tell you what we have done these past 30 years to tell you why you should restore our funds. I will submit our strategic plans which illustrate what we have accomplished and furthermore, what we have to accomplish further. We are proud of the past 30 years. What I do want to stress is that we have several projects left outstanding in need of funding for our community residents: Preservation work is needed for the F.Q. Sanchez Elementary School, the Agana Cathedral Belltower, two historic homes in Inalahan- the George Flores House and Benny San Nicolas House, in Hagatna, we have the Rosario, Lujan House, and Archbishop Flores House. We also have conservation work and heritage projects needed to develop GPT's Atantãno and Hila'an Heritage Preserves to help save our natural and cultural resources and bring about proper environmental and cultural stewardship for our community residents.

These projects combined will cost over 20 million dollars. We cannot do this alone in our current financial condition. We even had to prioritize our projects in queue and for the first time in our organization's history had to come before this legislature to request funding for the F.Q. Sanchez School restoration this past September. And these are just the projects that we have invested in prior to the cut so that they be shovel-ready to begin the tangible preservation work. More projects to protect our historic sites will come forward soon and need funding. Our current funding mechanism cannot sustain the rising costs of construction and without any changes will make it difficult to protect our sites from any adverse effects.

Some preconceived thoughts may express that funding for GPT is not important at this time in our community. Some might say "it isn't a priority. It is not a public health issue. It isn't a public safety issue. It isn't a public education issue. It isn't an economic development issue." But I say to you, we are all of that, and more. Most historic sites are on public lands and parks where our families walk, swim, and conduct outdoor activities. When we teach our residents cultural practices, we promote public health to engage their whole person to live healthy. When



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we restore and stabilize historic structures, we keep our community safe by helping prevent those structures from causing harm to themselves, their family and friends, our visitors to our island, and other private business and properties in our communities. When we create educational programs for our students and support public education and research in archaeology, architecture, CHamoru culture, history, and planning, we invest in our public's education. And finally, look at major tourist destinations and you find that the areas that are of interest and are seeing revitalization are historic districts and sites. By investing in the Guam Preservation Trust, you are investing in our public's health, education, safety, and economic development.

Finally, as mentioned earlier, in the spirit of Inafa mãolek, I hope that we can involve the Guam Museum, the Department of Public Works, and the Guam Historic Resources Division into this conversation. Let us not repeat the actions of the past and not have them be consulted should their funding source now need a new funding source. Let us work together to see how fully investing in the Guam Preservation Trust and using our non-profit status, can work for the community's advantage to remedy any effect that they may experience.

In closing, I want to use this time as an opportunity to recall the vision of the Trust's pioneers. Bill 486-20 that became Public Law 20-151 which established the Trust was championed by the late Senator Elizabeth Arriola, former Senator Madeleine Bordallo, and former Senator Ted Nelson back in 1990. Interestingly, the three co-sponsors received the full support of that legislature and all 21 senators signed on to the bill. It is my hope that 31 years later we are given the opportunity again see their wisdom and equip our organization to save our sacred sites and treasures once again. Today, Bill 208-36 will do just that and help GPT fulfill its mission in preserving and protecting Guam's cultural heritage and I thank you Senator Brown, Senator Blas, and Senator Taitague for being our new pioneers, for rising to recall this wisdom and I ask for the rest of your colleagues to fully support the intent of this bill. We have done so much in the past 30 years and if passed, imagine what we can do in the next 30 years to come. Si Yu'os Ma'åse.

Sincerely,

/s/

JOE QUINATA
Chief Program Officer