



Pacific Islands Development Bank

January 9, 2008

Mr. Roland Villaverde
Administrator
Guam State Clearinghouse
PO Box 2950
Hagatna, GU. 96932

SUBJECT: Guam State Clearinghouse – Pacific Islands Development Bank

Dear Mr. Villaverde:

USDA Rural Development is processing an Intermediary Relending Program (IRP) loan application for the Pacific Islands Development Bank. The purpose of this loan fund will be to finance small business start-ups or expand and maintain existing business operations in Guam, CNMI, Palau, Chuuk, Kosrae, Pohnpei, Yap, and the Marshall Islands.

Please provide your comments or concerns to this office. Should you have any questions, please contact me at 477-0047.

Sincerely,

Aren Palik
President/CEO

Cc: Mr. Joseph Diego, Area Director
USDA Rural Development, Western Pacific and Guam Area Office

GSC 1-610
JAN 14 2008

TIME: 9:27 [✓] AM: [] PM
RECEIVED BY:

GSC# 000080116257



GUAM STATE CLEARINGHOUSE (GSC)

Grant Project Application

Notification of Intent to Apply for Federal Assistance

Date received: 1/14/08

Received by: O. Palacios

SAI No.: 000080110254

for Guam State Clearinghouse use only

DUNS Number N/A

1) Applicant Department/Entity:

Pacific Islands Development Bank

2) Division:

N/A

3) Applicant Address:

First Hawaiian Building
Suite 303, 400 Route 8
Hagatna, GU, 96910

4) Contact Person, Phone Number, E-mail:

Mr. Aren Palik, President/CEO
671-477-0047

5) Due Date to Federal Agency:

January 2008

6) Federal Funds:

a. Grant \$	0.00
b. Other \$	1,000,000.00

7) Non-Federal, Matching Funds:

a. Local \$	0.00
b. In-Kind \$	0.00
c. Other \$	1,000,000.00

8) Total Funds: \$

1,000,000.00

9) Federal Program/ Project

Intermediary Relending Program

10) Federal Domestic Catalog No., Public Law No. and Title:

CFDA 10.767

11) Federal Agency Name:

USDA - Rural Development

12) Federal Agency Address:

First Hawaiian Building
Suite 303, 400 Route 8
Hagatna, GU, 96910

13) Type of Application:

New Grant Continuing Grant* Supplemental Grant* Other (Specify) JRP Loan

**Proceed to Question 14. Question 14 only applicable to CONTINUING and SUPPLEMENTAL grants.*

14) If grant application is for a continuing or supplemental grant, please provide the following:

(a) Initial date of grant period _____

(b) Guam State Clearinghouse Application number _____

Also, what grant year of the program's effective funding period, does this application impact?

15) Has federal funding agency been notified? Yes No

16) During which Fiscal Year will this program be implemented? Fiscal Year

17) If project includes local funding, identify source and rationale (BE SPECIFIC):

18) Is this program: BUDGETED (please identify legal budget authority: _____)
 NON-BUDGETED

19) Will this program require hiring of new employees? If YES, please provide number of employees (both existing and new) and justification. YES (Existing _____ New _____) NO

20) Funding Method:

YEAR		FEDERAL		LOCAL		TOTAL
First Year	100 %	<input type="text" value="1,000,000.00"/>	_____ %	<input type="text"/>	_____ %	<input type="text" value="1,000,000.00"/>
Second Year	_____ %	<input type="text"/>	_____ %	<input type="text"/>	_____ %	<input type="text"/>
Third Year	_____ %	<input type="text"/>	_____ %	<input type="text"/>	_____ %	<input type="text"/>
Fourth Year	_____ %	<input type="text"/>	_____ %	<input type="text"/>	_____ %	<input type="text"/>
Fifth Year	_____ %	<input type="text"/>	_____ %	<input type="text"/>	_____ %	<input type="text"/>

21) List of Departments or Agencies that would be affected directly or indirectly by this application:

22) Summary of Project (Attach Supporting Documents as Necessary):

Intermediary Relending Program

23) Does this application require an Environmental Impact Study?

YES NO

24) Will this application conflict with any existing law?

YES NO

25) Is enabling legislation required?

YES NO

26) Will this program require maintenance of effort?

YES NO

27) Does the granting agency provide for in-kind services to offset the local matching requirement?

YES NO

28) Please provide the constant utilized to determine or calculate the allowable off-sets for amounts that may be claimed as in-kind.

N/A

29) Does the proposed program allow for pass through funding requiring services from sub-grantees or private contracts to accomplish its intended purpose? YES NO

30) Does the program require the grantee to negotiate an indirect cost plan?

YES (please provide Negotiated Indirect Cost Rate percentage _____%)
 NO

31) Has the grantee estimated the indirect cost within the proposed grant budget?

YES NO

SUBMITTED AND APPROVED BY:

Signature of Authorized Representative:



Name of Authorized Representative:

Mr. Aren Palik

Position/Title of Authorized Representative:

President/CEO

Date:

1/10/08

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§ 1804. Equal Employment Programs.

The Bureau shall work with, and assist, the Director of Administration to ensure that the provisions of § 4403(f) of Title 4, Guam Code Annotated, pertaining to equal employment opportunity programs, are properly administered and implemented.

COMMENT: Effective January 1, 2006, reference to the "Civil Service Commission," amended to "Director of Administration" pursuant to P.L. 28-68:IV:45 (Sept. 30, 2005).

§ 1805. Committees: Formation.

The Director shall advertise throughout the government of Guam and the private sector for interested persons wishing to participate on committees to effectuate the purposes of the Bureau. The Board of Advisors appointed by the Governor pursuant to Executive Order 87-14 shall organize the Bureau's structure and shall establish the organization of the Bureau and the committees necessary to further the work of the Bureau."

SOURCE: Article 8 is added by P.L. 21-23:1.

**ARTICLE 9
PACIFIC ISLANDS DEVELOPMENT BANK**

- § 1901. Short Title.
- § 1902. Acceptance of Membership.
- § 1903. Authorization by Governor of Person to Act on Behalf of the Government.
- § 1904. Governor to Implement Provisions of this Article.
- § 1905. Authorization of Appropriation and Payment of Subscription.
- § 1906. Appointment of Members to the Board of Governors of the Bank.
- § 1907. Immunity from Taxation.
- § 1908. Powers And Limitations of the Bank.
- § 1909. Audit.
- § 1910. Legal Opinion.

§ 1901. Short Title.

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This Article may be cited as the *Pacific Islands Development Bank Act*.

SOURCE: Added as P.L. 22-150:1(a) (12/29/94). Codified by Compiler.

§ 1902. Acceptance of Membership.

The Governor of Guam is authorized to accept membership for the territory of Guam in the Pacific Islands Development Bank (the "Bank") provided for by the Agreement establishing the Bank (the *Agreement*).

SOURCE: Added as P.L. 22-148:1(b) (12/29/94). Codified by Compiler.

§ 1903. Authorization by Governor of Person to Act on Behalf of the Government.

The Governor is authorized to empower by instrument under his hand such person as may be named in the instrument:

(i) to sign the Agreement on behalf of the government of Guam;

(ii) to deposit the instrument setting forth that the government of Guam has accepted or satisfied the Agreement in accordance with its laws and has taken the steps necessary to enable it to fulfill all of its obligations under this Agreement; and

(iii) to sign any document that may be necessary or desirable to permit the full participation by the territory of Guam in the membership of the Bank.

SOURCE: Added as P.L. 22-150:1(c) (12/29/94). Codified by Compiler.

§ 1904. Governor to Implement Provisions of this Article.

The Governor is charged with the implementation of this Article and may make regulations as to any matter relating to the implementation of the provisions of the Agreement and to the fulfillment of the obligations of the government of Guam thereunder, and in particular, to the status, immunities and privileges of the Bank, of its governors and directors and their alternates and of its employees.

SOURCE: Added as P.L. 22-150:1(d) (12/29/94). Codified by Compiler.

§ 1905. Authorization of Appropriation and Payment of Subscription.

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(a) One Million Dollars (\$1,000,000) are authorized to be appropriated, without fiscal year limitations, for the purchase of one thousand (1,000) shares of capital stock in the Bank;

(b) The Governor, on behalf of the government of Guam, shall:

(1) make payment of an initial subscription to the additional capital stock of the Bank of a sum equivalent to One Hundred Thousand Dollars USD (\$100,000 USD) in accordance with the terms of the Agreement; and

(2) subject to appropriation by the Legislature, make any additional payments which may become payable under the Agreement to purchase the shares under Subitem (a) of this § 1905.

SOURCE: Added as P.L. 22-150:1(e) (12/29/94). Codified by Compiler.

§ 1906. Appointment of Members to the Board of Governors of the Bank.

The Governor, on behalf of the government of Guam, shall appoint one (1) person qualified to be representative of the Executive Branch on the Board of Governors of the Bank. One (1) person on the Board of Governors of the Bank shall be the Speaker or the Speaker's designee, as the representative of the Legislature Branch.

SOURCE: Added as P.L. 22-150:1(f) (12/29/94). Codified by Compiler.

§ 1907. Immunity from Taxation.

The Bank, its property, other assets, income, and the operations and transactions it carries out pursuant to this Section shall be immune from all taxation by the government of Guam.

SOURCE: Added as P.L. 22-150:1(g) (12/29/94). Codified by Compiler.

§ 1908. Powers and Limitations of the Bank.

The Bank, in accordance with its Articles of Agreement, is empowered to provide assistance in the following manner listed under subitems (1) through (9), and has the limitation listed under subitem (10) below:

(1) by the preparation, financing, and execution of development plans and projects, including the consideration of priorities, and the formulation of loan proposals on specific national or regional development projects;

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(2) by the development and advanced training, through seminars and other forms of instruction of personnel specializing in the formulation and implementation of development plans and projects;

(3) by making or participating indirect loans;

(4) by investment of funds;

(5) by guaranteeing, whether as primary or secondary obligator, in whole or in part, loans for economic development;

(6) by acquiring and selling such securities, mortgages, bonds and other instrument as may be appropriate to the conduct of its business in the carrying out of its purpose;

(7) to act as, or appoint, attorneys or custodians to administer and supervise funds;

(8) to purchase, lease or dispose of assets, business and property within the limitations of its authority;

(9) to deposit funds in financial institutions in Micronesia, the United States and elsewhere as may be appropriate; and

(10) the Bank is prohibited from engaging in banking activities for the benefit of the general public such as maintaining deposit accounts and paying interest on balances thereon as well as engaging in the trust business or acting as a fiduciary in receiving funds, moneys, properties, or securities, and holding or investing such funds, moneys, properties, or securities for the account of such members of the general public; *provided*, however, that nothing in this subitem (x) shall prohibit the Bank from performing any activities for the benefit of its *Members* as defined in the Agreement, or performing any activity considered to be normal for a development financial institution.

SOURCE: Added as P.L. 22-150:1(h) (12/29/94). Codified by Compiler.

§ 1909. Audit.

The Bank will submit a copy of its annual audit report to the Executive and Legislative Branches of the government of Guam. In other respects, it will be subject to audit by the government of Guam.

SOURCE: Added as P.L. 22-150:1(i) (12/29/94). Codified by Compiler.

§ 1910. Legal Opinion.

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The Attorney General of Guam is authorized to render such legal opinions as may be required by the Bank or by the government to permit the government of Guam to participate fully in the Bank.

SOURCE: Added as P.L. 22-150:1(j) (12/29/94). Codified by Compiler.

ARTICLE 10
OFFICE OF THE PUBLIC ENGINEER

- § 1930. Title.
- § 1931. Office of the Public Engineer: Establishment.
- § 1932. Authorization To Hire Personnel.
- § 1933. Duties of the Public Engineer.
- § 1934. Qualifications of the Public Engineer.

§ 1930. Title.

This Act shall be cited as, "The Public Engineer Act of 1997."

§ 1931. Office of the Public Engineer: Establishment.

There is established within the Bureau of Planning of the Executive Branch, the office of the Public Engineer. The office shall be headed by the 'Public Engineer', a classified position, recruited and selected within the rules and regulations of the government of Guam. Compensation for the 'Public Engineer' shall be determined by the Director of Administration.

COMMENT: Effective January 1, 2006, reference to the "Civil Service Commission," amended to "Director of Administration" pursuant to P.L. 28-68:IV:45 (Sept. 30, 2005).

§ 1932. Authorization to Hire Personnel.

The Public Engineer is authorized to employ clerical, technical and support staff to assist in carrying out the duties of the office, except that the total annual number of FTE's shall be no greater than three (3), including the Public Engineer.

§ 1933. Duties of the Public Engineer.

The Public Engineer ('PE') will have the responsibility to approve the scheduling of all Capital Improvement Projects authorized or performed by government of Guam departments, divisions or agencies,

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including autonomous agencies of the Judicial, Legislative and Executive Branches. The PE will have the responsibility to coordinate all construction activities public and private, which affect government of Guam easements or property, and to schedule all work to coincide with the government of Guam infrastructure development projects.

The PE will have the responsibility to clear and approve all building permits for any development other than single, single-family residential units, including renovation of such which does not change occupancy, fencing or retaining walls 6' in height or less. The PE's sole responsibility will be to review projects and determine whether or not government infrastructure scheduling will be affected by the project. In the event scheduling is affected, the PE shall have the authority to hold the permit for no less than thirty (30) calendar days while schedules are matched. In the event schedules cannot be matched, the PE shall direct the Building Official to hold a monetary bond from the developers for any subsequent repair to facilities damaged or affected by construction. In the event that a government or private utility agency are the cause for a failure to match schedules, the utility shall guarantee in the form of a monetary bond or purchase order, to the affected utility and the Department of Public Works for the proper and warranted repair to damaged utilities, roadways or appurtenances, including relocation of utilities.

§ 1934. Qualifications of the Public Engineer.

The Public Engineer ('PE') shall be a U.S. Citizen, a resident of Guam, an engineer licensed at the time of application within Guam, having obtained licensure through education in an accredited engineering curriculum within the United States, or other institutions recognized by the National Society of Professional Engineers, passing the Engineer-in-Training or Fundamentals of Engineering Exam and passing the Professional Engineer or Principles and Practices Examination. There shall be no administrative exceptions made to these requirements.

At the time of application, the PE shall possess a minimum of fifteen (15) years of experience in the field of infrastructure engineering, development and planning, of which at least five (5) years should consist of the unique background of community infrastructure planning, and of which at least five (5) years should consist of demonstrated experience with public or private utilities doing work along rights-of-ways and

Pacific Islands Development Bank

To: Mr. Roland C.P. Villaverde
Administrator
Guam State Clearinghouse

From: Aaron F. Sigrav, Loan Officer *as*

Fax: 671-477-2007

Fax: 671-477-0067

Phone: 671-475-9380 ext. 904

Phone: 671-477-0047

Date: 1/14/2008

Subject: Certificate of Tax Exemption

Comments:

Hi Roland.

According to our office administrator, what we have is our Certificate of Tax Exemption.

I have forwarded a copy per your request of certification.

Thank you.



Department of Revenue and Taxation
Government of Guam
P.O. Box 23607
G.M.F. 96921



Certification of Tax Exemption

This is to certify that

PACIFIC ISLANDS DEVELOPMENT BANK

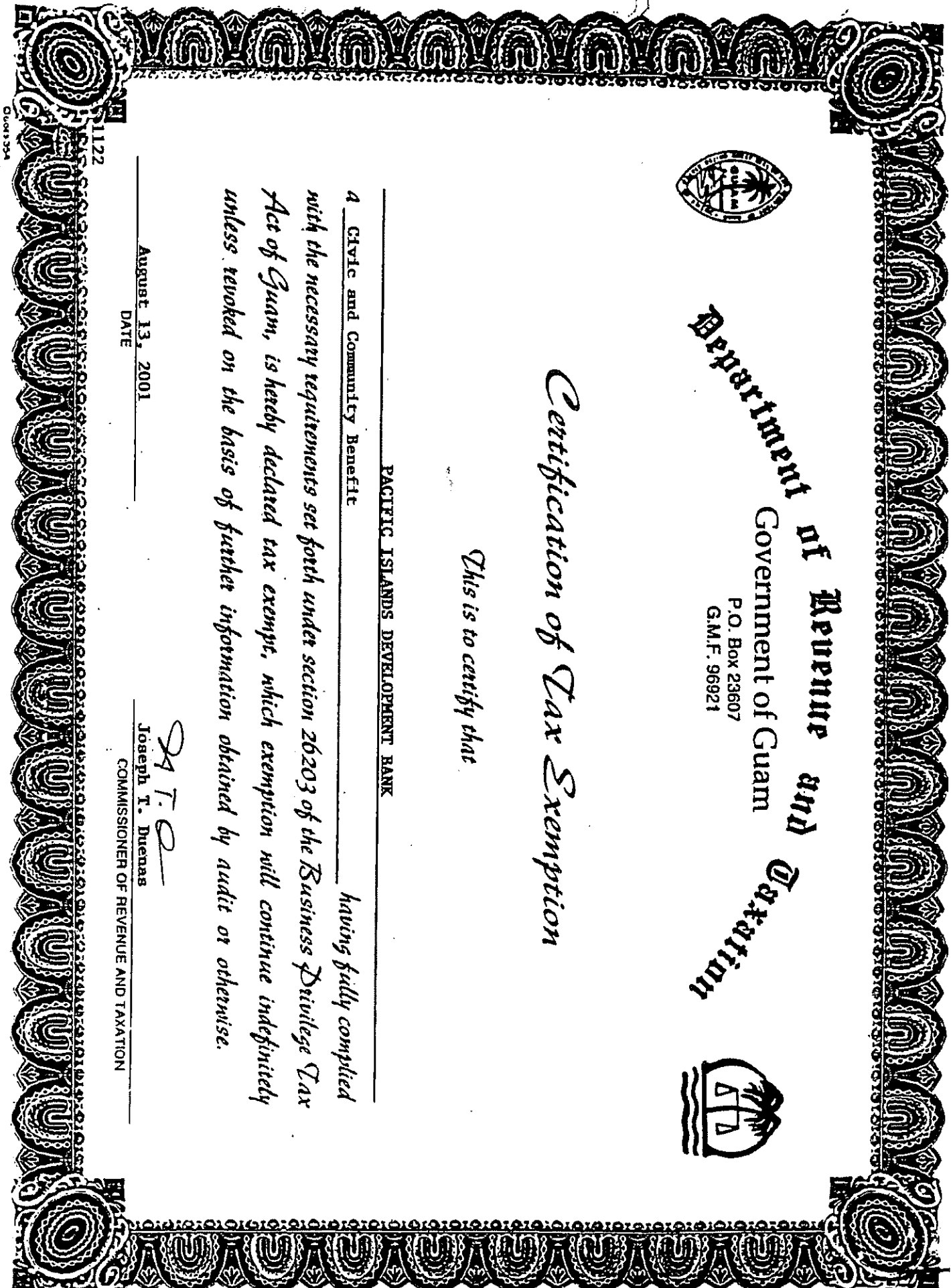
a Civic and Community Benefic

having fully complied

with the necessary requirements set forth under section 26203 of the Business Privilege Tax Act of Guam, is hereby declared tax exempt, which exemption will continue indefinitely unless revoked on the basis of further information obtained by audit or otherwise.

August 13, 2001
DATE

J.T.O.
Joseph T. Duenas
COMMISSIONER OF REVENUE AND TAXATION



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