

**MINA'BENTE SAIS NA LIHESLATURAN GUÅHAN  
2002 (SECOND) Regular Session**

**Bill No. 417 (COR)**

As substituted by the Author and amended on the Floor.

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**AN ACT TO ADD § 77112.1(d) TO TITLE 21 OF THE GUAM CODE ANNOTATED, RELATIVE TO AUTHORIZING THE LEASE OF THE PASEO STADIUM BY THE GUAM BASEBALL FEDERATION, A NON-PROFIT ORGANIZATION.**

**BE IT ENACTED BY THE PEOPLE OF GUAM:**

**Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds that government of Guam's precarious financial condition has forced the Department of Parks and Recreation ("DPR") to defer the maintenance and repair of many of the parks and facilities under its jurisdiction. Suffering the brunt of DPR's reduced budget is the Paseo Stadium, a facility which has long served as a territorial site for adult and youth baseball games. Rebuilt in 1981, the stadium has weathered through storms, earthquakes and typhoons. Repairs, *however*, have been few and far between, due primarily to a lack of funds for maintenance and repairs and, a government-wide hiring freeze, which has prevented DPR from replacing maintenance personnel lost through attrition. Consequently, the stadium's playing field has become hazardous; its dugouts, bleachers, locker rooms and toilet facilities a haven for cockroaches, rats and termites. The metal poles for the stadium lights are corroded and require immediate, extensive maintenance work.

It is the consensus of *I Liheslaturan Guåhan* that DPR can relieve itself of many of its facility maintenance and repair responsibilities, particularly the stadium, by outsourcing these functions to a private entity or a non-profit organization willing and equipped to do the work on a daily basis, and, at little or no cost to the government. Outsourcing has become the wave of today and is increasingly being employed as a management tool by many financially-strapped city and state governments throughout the U.S. mainland. Private and non-profit organizations are better able to generate revenue through solicitation and acceptance of monetary donations. Moreover, they have access to resources without having to go through tedious government procurement procedures. Outsourcing stadium maintenance

and repair functions to an organization, such as the Guam Baseball Federation (“GBF”), will secure the development of the stadium into a municipal facility, equipped with state-of-the-art equipment for training and development of Guam’s baseball players.

With Guam’s rising reputation as a baseball powerhouse in the Region, a municipal stadium will attract *not only* regional and international events, but also Asian professional and college baseball teams seeking a venue for spring training. Guam’s year-round weather conditions and close proximity to Asian countries make it an ideal site for off-season tournaments and spring training. In 1982, shortly after the Paseo Stadium was rebuilt, one (1) of Japan’s top professional baseball teams, the Yomiuri Giants, chose the Paseo Stadium as a spring training site for the entire team. This gave a much-needed shot-in-the-arm to baseball development on Guam since the Giants often left behind their training equipment and supplies for local baseball players to use. Also getting a boost from the Giants’ annual training was Guam’s tourism industry, since an entourage of Japan’s major television networks routinely traveled with the Giants, covering their every activity, either in the stadium or out in the Community. As years went by, *however*, and typhoons, earthquakes and super-typhoons took their toll on the stadium, the Giants contingent dwindled to a point where now, only a handful of players come to Guam each year. In 2002, only a mere seven (7) Giants came to train. In order to develop the existing stadium to a municipal stadium, and in the interest of further enhancing baseball development on Guam, DPR, on June 28, 2002, entered into an adopt-a-stadium agreement with the GBF, the umbrella organization for youth and adult baseball leagues on Guam. While the agreement already gives GBF the responsibility of maintaining, managing and upgrading the stadium, it is the consensus of *I Liheslaturan Guåhan* that a lease agreement would ensure the infusion of much-needed funds from the private sector for the repair and development of the stadium, and more importantly, the continuity of maintenance and upkeep.

This bill, therefore, gives DPR the authority to enter into a lease agreement with GBF, pursuant to § 60112 of Title 21 of the Guam Code Annotated, and mandates certain conditions and stipulations which, in the interest of the Public, are to be incorporated into any agreement to lease the Paseo Stadium.

**Section 2.** Section 77112.1(d) is hereby *added* to Article 1, Chapter 77, Division 2 of Title 21 of the Guam Code Annotated to read as follows:

“(d) Notwithstanding any other provision of law, the Department of Parks and Recreation is authorized to lease the Paseo Stadium to the Guam Baseball Federation for a period to be mutually agreed upon by both parties, but *not* to exceed fifty (50) years. Such lease shall be limited to management and maintenance operations; the scheduling of games and events; the sale of billboards and other advertising signage; improvement of playing field and structure and lighting; and other provisions mutually agreed upon between the Department of Parks and Recreation and the Guam Baseball Federation, and *not* inconsistent with existing laws.”

**Section 3. Lease Stipulations.**

(a) Plans for structural changes or improvements, intended to induce private sector participation, including, but *not* limited to, the improvement, expansion or re-configuration of the facility, playing field and other ancillary facilities, shall be made in consultation with and with the approval of the Director of the Department of Parks and Recreation.

(b) Paseo Stadium maintenance personnel currently in classified positions in the Department of Parks and Recreation and currently assigned to the Paseo Stadium, shall *not* be removed from their positions, *unless* for cause, and removal shall be carried out pursuant to Title 4 of the Guam Code Annotated. The hiring of additional personnel necessary to maintain and improve the Paseo Stadium and ancillary facilities shall be at the expense of the Guam Baseball Federation.

(c) The lease agreement specified under § 2 of this Act shall include a provision granting free admission to citizens fifty-five (55) years of age and older at all stadium activities and functions requiring a fee.

(d) The lease agreement specified under § 2 of this Act may include a provision requiring the sharing of payment of utilities charges at the Paseo Stadium. Such provision, *however*, shall be implemented in the following manner:

(1) payment by the Department of Parks and Recreation of all utilities charges incurred during the first year of the effective date of the lease agreement; *provided*, that the Department is allotted funds for this purpose by *I Liheslaturan Guåhan* in its annual budget appropriations;

(2) payment of all utilities charges during the second year of the agreement, to be shared *equally* between the Department of Parks and Recreation and the Guam Baseball Federation; *provided*, that the Department of Parks and Recreation is allotted funds for this purpose by *I Liheslaturan Guåhan* in its annual budget appropriations; *and*

(3) payment of all utilities charges to be borne *solely* by the Guam Baseball Federation during the third year and every year thereafter that the lease is in effect.

(e) Any lease agreement entered into pursuant to this Act shall be subject to legislative approval.

**Section 4. Application of Tax Credits.** Individuals and businesses making up-front contributions towards the development, upgrading, repair and maintenance of the Paseo Stadium and ancillary facilities shall be authorized tax credits against Excise Taxes, *not* to exceed Five Hundred Thousand Dollars (\$500,000.00). The Guam Economic Development and Commerce Authority

("GEDCA") shall administer the tax credits portion of this Act pursuant to the existing Guam Raceway Park rules and regulations.

**Section 5. Reporting.** The Guam Baseball Federation shall report semi-annually to *I Liheslaturan Guåhan* the cost of improvements it makes to the stadium from funds *other* than the tax credits authorized herein.

**Section 6. Severability.** *If* any provision of this Law or its application to any person or circumstance is found to be invalid or contrary to law, such invalidity shall *not* affect other provisions or applications of this Law which can be given effect without the invalid provisions or application, and to this end the provisions of this Law are severable.