



GUAM RACING FEDERATION  
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October 7, 2020

Re: Guam Racing Federation

Dear Candidates for the 36<sup>th</sup> Guam Legislature:

Coming before the 36<sup>th</sup> Guam Legislature will be an issue near and dear to the 13,000 supporters of the Guam Racing Federation (GRF). The Lease Agreement for Lot 7161-R, Yigo, Guam, which is currently awaiting approval by the Board of the Chamorro Land Trust Commission (CLTC). Upon approval by the Board the lease will be submitted to the Guam Legislature for legislative approval.

**BACKGROUND:**

GRF was formed in 1998 to present and is a united voice for motor sports and other enthusiasts. GRF is made up of the following member clubs:

- GIR Drag Racing Club
- Guam International Raceway Motorcycle and ATV Club (GIRMAC)
- Guam Drifting Association aka Drift Guam
- Guam Region Sport Car Club of America (GRSCCA)
- Guam Off-Road Association
- Guam Cycling Federation

Drag Racing had no location after losing Harmon Field and Orote Point as places they were allowed to race, and residents of Guam were endangered by the expansion of illegal drag races on island roadways after the closure of Harmon and Orote Point to drag racing.

The motocross and off-road enthusiast lost use of the racetrack off Cross Island Road due to family development in the area that could have caused them to take their activities to government and private properties in an unsafe and unsupervised manner.

The creation of the Guam International Raceway created a safe environment for all racing enthusiasts to develop their skills in a safe and supervised environment that spawned a growing local racing industry.

These groups came together to have the chance to be heard as a group.

**COMMUNITY ENTERTAINMENT ASSET: *See Attachment #1-Site Development Plan.***

The race track is a valuable asset to help bring back tourism by providing an exciting venue to experience high energy events. It will also be an asset as 8,000 Marines relocate to Guam; many of whom are active motorsports participants.

### **MISSION STATEMENT:**

#### **The vision that drives us:**

GRF is a non-profit organization whose vision is to build a facility that can first of all host the first “Guam Grand Prix”, a formula III race that would be included in the Asian Grand Prix circuit along with others in places like Macau, Japan, Australia and others in the area.

This facility would be used once or twice a year for these major tourist events and be available the rest of the year for all the other racing, tourism and community events that need a venue like the Guam International Raceway.

The terms of our lease awaiting final approval from the Chamorro Land Trust Commission are a win-win for both of the organizations. It allows a fair starting point and increased rent as the facility continues to grow and receive income.

As our vision comes true the amount of income for Chamorro Land Trust Commission will grow and be a major factor in helping accomplish its goals of building roads, power and water lines to its many land holders who cannot build on their land until the infrastructure is available.

### **GOOD START ON OUR VISION:**

During the past twenty (20) years GRF has built and accomplished the following:

- i. Promoted Sports Tourism with the Smokin’ Wheels races, the longest running Sports Tourism event on Guam started in 1979;
- ii. Saved hundreds of thousands of dollars that the Guam Police Department did not need to spend trying to stop illegal drag races on Guam’s roadways. The drag strip is a controlled and approved environment and keeping it open saves many lives;
- iii. Provided safe racing venues for off-road motorsports and non-motorsports racing of all types;
- iv. Present and future “quality of life” venue for our young military members to enjoy with our local enthusiasts;
- v. Completed 500± car parking lot;
- vi. Paved ¼ mile stock-car/drift racing track;
- vii. Paved ¼ mile temporary drag strip;
- viii. 5,000± concrete bleacher seats;
- ix. World class off-road short course;
- x. 60’ x 60’ steel building with restroom facilities to handle large crowd at motocross/off-road track; and
- xi. 60’ x 60’ two-story concrete building at Drag Strip with office, control rooms and restroom facilities for both temporary and permanent drag strip.

### **A PROJECT AT THE CROSSROADS:**

Unfortunately, the U.S. Marines Corp chose the Guam International Raceway located in Yigo, Guam as part of the location for the Live Fire Training Range in 2007. All construction stopped for nine years at the Guam International Raceway from 2007 to 2015.

We continued to use the track and were told there would be a new area and funds identified for a future track, which turned out not to be the case. Our group joined others to ask the Federal Government to consider locating the Firing Range on property the Federal Government already owns.

Our group raised 13,000 signatures in thirty (30) days and we believe that helped them reconsider using our location.

Our license expired on May 31, 2018 and is currently on a month-to-month Lease. GRF commenced lease negotiations with the CLTC in October 2018 for a long-term Lease.

On December 12, 2018, Public Law 34-142 authorized the CLTC to Lease Lot 7161-R1, Yigo, Guam for a period of fifty (50) years for commercial purposes to include the operation of a raceway, related support facilities, and various outdoor events. *See Attachment #2-Public Law 34-142.*

On December 21, 2018, GRF exercised its first right of refusal to Lease Lot 7161-R1, Yigo, Guam. GRF and the CLTC negotiated a *DRAFT LEASE AGREEMENT* in 2020 and presented the same to the Board of Commissioners of the Chamorro Land Trust Commission for approval and submission to the Guam Legislature for approval. *See Attachment #3- Draft Lease Agreement.*

Due to technicalities required under Public Law 34-142 it would make it unaffordable and unbuildable and violated the intent of a Public/Private Partnership. GRF's objections to the technical requirements are as follows:

- i. Mineral extraction prohibited by Public Law 34-142 - GRF is not extracting minerals. We are grading to final shape.
- ii. Lease terms pursuant to 21 GCA Chapter 75-Chamorro Land Trust Commission – the ten percent (10%) of the appraised value allowed for would make it unaffordable.

Our members are interested in knowing your position as a potential future member of the 36<sup>th</sup> Guam Legislature your answers to the following two questions:

1. Would you support the GRF fifty (50) year Lease as negotiated with the CLTC?
2. Would you support future tax credits to finish building of the Grand Prix Race Course Facility?

Please send your reply to these questions to: [contact@guamraceway.com](mailto:contact@guamraceway.com).

If you have any questions or would like additional information you may contact me directly by email at [henry@guamraceway.com](mailto:henry@guamraceway.com) or at (671) 727-5382.

Thank you for your support.

Sincerely,



HENRY M. SIMPSON, JR.  
General Manager

Encls: Guam Racing Federation Site Development Plan  
Public Law 34-142  
Draft Lease Agreement

cc: File