OFFICE FOR MICRONESIAN STATUS NEGOTIATIONS WASHINGTON, D.C. 20240

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Subject: Clarification of U.S. Land Policy Paper Statement Promising the Exchange of Privately Owned Lands on Tinian for Land Located "Elsewhere"

Problem: OMSN has been asked to provide clarification on what was meant, in terms of scope and geographical location, by the U.S. commitment in the Land Policy Paper to exchange land, where desired by private landowners on Tinian for land located elsewhere.

Background

- a. The possibility of exchanging lands located "elsewhere" for private land on Tinian was first broached informally prior to the second session of Marianas status negotiations in May 1973, by questions from the MPSC.
- (1) Based on the original preferred U.S. concept of acquiring all of Tinian and relocating the populace to Saipan, the U.S. position has always envisioned that it may be necessary to acquire residual rights to some Saipan retention land (beyond the 820 acres specified) and exchange those lands for private land on Tinian.
- (2) Thus, Mr. Wilson replied that the U.S. would consider such exchanges. However, in first using the term "elsewhere" the only specific land considered at that time, as available for such exchange, was the retention land on Saipan.
- b. During the second session, in answer to further questions from the MPSC and in answer to questions at the Tinian town meeting, the Ambassador affirmed the above statement, emphasizing, however, that the U.S. preferred that the Tinian citizens act as a body to both assure and simplify maximizing benefits to the relocated community. In addition, the U.S. negotiators were also asked about the possibility of exchanging land in the continental U.S. for Tinian private lands. The answer given emphasized that such an action would be unprecedented but may be worthy of consideration.
- c. The above questions were again informally broached during Marianas III, with the U.S. answers essentially reaffirmed. However, it was pointed out that as U.S. citizens, they could buy land wherever in the U.S. they may choose, with funds from the sale of their Tinian land.
- d. Because, inter alia, of the U.S. planning for possible exchange or other uses of military retention land, retention land was specifically excluded from the definition of public lands in the U.S. Policy Paper on transferring public lands to District control.

- e. During the above sessions, individual Saipan representatives to the MPSC, in private exchanges, made clear their dislike for trading off Saipan lands to Tinian landowners. This dislike was reaffirmed during the Honolulu principals meeting of March 1974.
- f. Recent estimates by USAF and local leaders indicate that as many as 10% of the current resident landowners on Tinian may desire to leave. Of these, many may desire an exchange of land in lieu of cash payment. The recently distributed land policy statement was the first formal indication of the U.S. position that Tinian land could be exchanged for land located "elsewhere".
- g. The MPSC position on public lands, as tabled during Marianas III envisioned:
- (1) A non-profit District Land Corporation formed and controlled by the District Legislatures as the recipient of all public lands in the district. They proposed that "the corporation would enter into a binding agreement with the United States to convey to the United States such interests in land for military uses----"
- (2) They also stated that upon condemnation or purchase by the District Legislature, private lands on Tinian would "become part of the public land of the Marianas" and similarly be conveyed to the U.S.
- (3) They stated that it would be necessary for the U.S. to provide relocation payments and assistance along with an "advance" payment to finance the Legislatures' land acquisition.

Discussion

- a. The U.S. clearly has the authority to use existing retention lands as desired until a new agreement is reached. Thus the U.S. has sufficient leverage to persuade the Saipanese that a <u>few</u> such exchanges may be necessary, particularly if accompanied by an explanation that the U.S. is not inserting these Tinianese at the top of the Saipan homestead list, but rather facilitating the relocation of an already approved homestead to another Marianas location.
- b. It is also clear that there is no need for Government of the United States sponsorship of a land exchange in CONUS. Not only would such a precedent setting action be difficult to sell, especially for so few people, a Tinian landowners' use of existing U.S. real estate agencies would provide him a greater choice of sites at a better price.
- c. It is equally clear that further expansion of land exchange or trade-off discussions beyond the retention land areas on Saipan, to other areas in the Marianas, should be resisted. The ex-Tinian landowners can use their land sale receipts to buy land on Rota, Guam, etc., without the U.S. getting involved. However, advice on where to go and assistance in contacting realtors could be offered.

- d. The MPSC clearly expects that the Marianas Government and land corporation will have the responsibility for land acquisition on Tinian, but has not fully developed the means of fair compensation they expect to use.
- <u>U.S. Position</u> From the above it is clear that the term "elsewhere" in the United States land positions means:
- a. That in the event all private Tinian land acquisitions, required to be provided to the U.S. Government by the new status agreement, are transacted under the auspices of the MPSC proposed Marianas Land Corporation, the Corporation may find the exchange of public land on Saipan, Rota, Pagan or other Mariana Islands to be a desirable inducement for securing these lands. The United States would have no objection.
- b. That in the event of a direct transaction between the U.S. and an existing landowner, only lands within a specific area of the current retention lands on Saipan would be exchanged for private lands on Tinian. In such transactions, the U.S. would buy remaining residual rights to the applicable area of retention land and trade fee simple title to this land as full payment for the private land acquired on Tinian.
- c. That in the event an ex-landowner wishes to purchase land in CONUS with his Tinian receipts, the U.S. Government will provide advice and some limited assistance.

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