file (7) 03

July 29, 1974

MEMORANDUM FOR HOWARD WILLENS

Subject: Military Land in Marianas

Attached is an outline of the terms of a potential land agreement with the United States. As you will see, there are a number of decisions to be made and several delicate issues to be resolved before a final agreement can be reached. Do you understand that these issues are within the jurisdiction of the Land Negotiating Committee, and if so, when and how should we bring them up?

Michael S. Welfer

Attachment

DRAFT:

July 29, 1974

LAND DEAL

Public Land

- title transferred to Marianas at or before signing status agreement
- to extent that leases or other interests in public land created before transfer of title to Marianas have to be removed to make land available to U. S., U. S. either does it itself or through TTPI, (or reimburses Marianas [leases on other public land?])

upon approval of status agreement, Marianas makes were public land available to II S in accordance in the status public land available to U. S. in accordance with the agreement

Military Retention Land

to extent military retention land not to be made available to U. S. for military purposes under new status, use and occupancy agreements to be terminated at or before signing

- to extent military retention land to be made available to U. S. for military purposes under new status, use and occupancy agreements remain in effect until approval of status agreement [alternative: make U. S. start paying new rate/acre for this land upon signing status agreement and give them a proportionate credit for prior payments

upon approval of status agreement, use and occupancy agreements superceded by new agreement

Private Land

- at appropriate time - reinhouse - Marianas will acquire title at own expense {U.S. loans if needed] and make land available to U. S. upon approval of status agreement

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Agreement

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- between approval and termination, U. S. pays \$4 million/year less credit for prior payment for military retention land (U. S. paid \$40/acre for use rights for assumed 37 years; credit is approximately \$1.08/acre of military retention land/year until termination)
- at termination U. S. makes \$40 million payment for 50 year lease with option to renew for 50 years, with price for second 50 year period to be determined then
- reversion for non-use; joint use and leaseback;
 U. S. occupancy to continue if option exercised until new price determined; other provisions

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