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Copied for Siemer
12 Mar 89 JAL
Specifically Requested

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HMarcuse:12-13-74:kkc

LAND REQUIREMENTS

In this field the Commission offers two methods of taking care of the changed situation.

1. Reduction of the land requirement by approximately 5,000 acres, to account for the changed short term needs of U.S. In this event the MPSC would accept the U.S. version of Section 806, Eminent Domain.

The MPSC would accept restrictive covenants on some of the portions of the lands which might be needed in the future.

Acceptance of this plan would require change in instructions.

2. Lease-back of approximately 4,000 to 5,000 acres, apparently about the same figures as the restriction of the land made available under the first alternative.

The land would have to be leased to the Government of the Northern Mariana Islands at a minimal rate for at least ten years.

Problem: (1) there must be a possibility to terminate the lease if land is needed for immediate military uses, (2) status of U.S. eminent domain power, (3) would lease-back certain areas under same restrictive covenant as under alternative #1 (acreage reduction).

We assume you have that power, and that your authority is not limited by DOD regulations.

ECONOMIC SUPPORT

MPSC seeks to make compensation for the loss of economic opportunities and tax revenues by increasing the Phase II support by \$1,000,000 per annum.

This figure would appear justifiable in the light of the negotiating history and does not appear excessive. However, there is no authority for making such

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