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PRESENTED BY MR. WILSON 12-14-74

MARIANAS V - EIGHTH WORKING SESSION - 12-14-74

Proposed Approach on Land Price

I. Objectives to be accomplished

1. To reach a closer understanding on the amount of land within military areas on Tinian and Saipan which should be classified for various possible civilian uses in an open market situation.
 - a. To get closer together on purposes for which land would be used if U.S. military didn't want it; i.e., industrial, residential, agricultural, etc., and within these categories just what kinds of activities would be reasonable: e.g., heavy industry/light manufacturing, cash crops/grazing, high density/low density.
 - b. To determine a reasonable division of such uses and activities between the military areas and the land outside the military areas.
2. To ascertain what plans the Northern Mariana Islands would have for devoting portions of the land to public purposes (i.e., parks, public buildings, docks, etc.) if the land were not to be made available to the military.
3. To determine the basis for MPSC's price per acre in various categories of land on Tinian and Saipan.
4. To ascertain sources and advisers used by Seldin and offer to consult with them if they differ materially from those used by U.S.
5. To shake the MPSC's confidence in the integrity of the Seldin report and show them that independent experts differ materially on important

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aspects of the analysis.

6. To set aside broad areas of agreement and concentrate on narrower areas of differences in effort to show MPSC that reasonable compromises are possible on many parts of the whole.
7. To convince MPSC that U.S. is not out to take advantage of Marianas in land matters and is perfectly prepared to reach reasonable compromises where there is adequate justification and supporting data on their side.
8. To reserve issue of encumbrances and discounting of military retention land values until end of discussions with a view to building up basic building blocks of value according to reasonable use, without further complicating picture in initial stages of discussion.

II. Suggested Approach.

- A. Begin by saying U.S. genuinely interested in getting at basis for Seldin analysis since conclusions differ so radically from ours.
- B. Indicate willingness to put our own cards on table so far as our own studies are concerned: when we consulted, what they said, how we determined amounts of land within each classification, how we determined price per acre for classifications.
- C. Indicate willingness to adjust our views and prices per acre if they can show us where we are wrong or that we have overlooked significant factors in the equation.
- D. Suggest we take it piece by piece setting aside those areas where we are basically in agreement and concentrating on the areas of difference.
- E. Begin by asking what development plan Seldin used on Tinian and on

Saipan, explaining we used the present master plan for Saipan and the plan begun by Sheehan for Tinian and how we tried to update these and flesh them out, then asking how Seldin went about it.

- F. Distribute hand out sheet showing differences in acreage between U.S. and MFSC by land use classifications out in Tinian, Isely and Tanapag. Get out the land use maps.
- G. Begin with Tinian and ask Markon questions item by item.
- H. Go to Isely, then Tinian doing same thing.
- I. Repeat entire process with separate hand out sheet on price per acre for each classification of use.
- J. Take it in order of Tinian, Isely and Tanapag.

R. MARKON:12-14-74:kkc

LAND USE

	<u>U.S.</u> <u>ACREAGE</u>	<u>MPSC</u> <u>ACREAGE</u>
<u>TANAPAG HARBOR</u>		
Residential		
Low Density	50 - 27	70 67
Higher Density	0	60
Hotel	10	20
Industrial	40	20
Commercial	0	10
Marina	0	20
Public Use	<u>100</u>	<u>0</u>
	200 177	200
<u>ISELY FIELD</u>		
Industrial	50	482 125
Agriculture	<u>432 +3</u>	<u>0 200</u>
	482 485	482 157
<u>TINIAN</u>		
Industrial		
Harbor	25	50
Airfield	200	250
Prime	0	100
Secondary	0	100
Resort	200	300
Residential	200	1,500
Commercial		
Prime	50	200
Secondary	0	200
Agriculture		
Prime	1,000	3,000 2,500
Secondary	0	3,000 7,275
Tertiary	<u>10,000</u>	<u>4,500 1,000</u>
	11,675	13,200
Conservation	<u>6,133</u>	2,900
	17,808	1,100
<u>FARALLON DE MEDINILLA</u>		
Conservation	206	229

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LAND VALUE PER ACRE

	<u>U.S. Estimate</u>	<u>WTSC Estimate</u>
<u>TIERRAS BARRIO</u>		
Residential		
Low Density	\$ 7,500	\$ 12,000
Higher Density	-0-	\$ 15,000
Hotel	\$ 50,000	\$ 100,000
Industrial	\$ 25,000	\$ 25,000
Commercial	-0-	\$ 20,000
Marina	-0-	\$ 40,000
Public Use	-0-	-0-
<u>ISLELY FIELDS</u>		
Industrial	\$ 15,000	\$ 12,000
Agriculture	\$ 300	-0-
<u>TEJIAN</u>		
Industrial		
Harbor	\$ 12,000	\$ 100,000
Airfield	\$ 6,000	\$ 10,000
Prime	-0-	\$ 10,000
Secondary	-0-	\$ 5,000
Resort	\$ 15,000	\$ 10,000
Residential	\$ 1,500	\$ 2,000
Commercial		
Prime	\$ 7,500	\$ 10,000
Secondary	-0-	\$ 5,000
Agriculture		
Primary	\$ 500	\$ 300
Secondary	-0-	\$ 500
Tertiary	\$ 200	\$ 300

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