PACIFIC BASIN HOTEL & DEVELOPMENT CORPORATION

March 18, 1974

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Honorable Edward E. Johnston High Commissioner Trust Territory of the Pacific Islands Saipan, Mariana Islands 96950

Thru:

Honorable Francisco C. Ada
District Administrator
Marianas District
Saipan, Mariana Islands 96950

Dear Sir: .

On the 16th day of January, 1973, Pacific Basin Hotel & Development Corporation, of which I am the President, submitted an application for permit to do business by a foreign corporation or business (Public Law 3C50, as Amended) specifically, to build a fifty (50) room hotel on the Island of Pagan and a one hundred (100) room hotel on the Island of Tinian. Subsequent to this date, on June 25, 1973, Pacific Basin received Business Permit No. 6273 granting Pacific Basin the right to construct and operate one fifty room hotel and related facilities on Pagan Island, M. I., however, the permit did not grant to Pacific Basin the right to construct and operate a hotel on the Island of Tinian. On August 24, 1973, I wrote Mr. Dudley G. Dumbacher, Chief, Economic Development Division, Department of Resources & Development, requesting that our Business Permit be amended to include the right to build a hotel on the Island of Tinian as per Pacific Basin's original application. Several months passed and I did not receive a reply to my letter so I then instructed Mr. Donald G. Lawrence, Counsel for Pacific Basin, to write a follow up letter concerning this matter. His letter of November 29, 1973, to Mr. Dumbacher was answered on December 14, 1973, by Mr. Wyman X. Zachary who stated in a two sentence reply that the matter was still under study.

Subsequent to our requesting an Amendment to our Business Permit to construct and operate a hotel on Tinian, we have leased private property for a hotel site from a Mr. Herman Manglona, which property is identified as Lot No. 034 T 0 3 consisting of approximately 50,788 SM.

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We have submitted this lease for approval by the District and have been informed that the District has recommended approval of the lease, however the District officers have further informed us that a Business Permit to construct and operate a hotel on Tinian is necessary before this lease can be approved for Pacific Basin. Apparently this is the only obstacle confronting us at this time.

To demonstrate to you that the people of Tinian are wholeheartedly behind this project, I enclose with this letter a petition to the High Commissioner and the Marianas Islands District Administrator, signed by the leaders and people of Tinian urging the Government's support for this project. In addition, I enclose a letter to Mr. Pedro Q. Dela Cruz from Felipe Q. Atalig, Representative from Tinian to the Congress of Micronesia, supporting this project.

It is my understanding, and I have been so informed by District officers that the moratorium on land transactions on the Island of Tinian applies only to public property and not to the private sector. I would like to assure you that it is not Pacific Basin's desire or intention to speculate on real estate on the Island of Tinian but rather it is the corporation's desire to construct and operate a first class hotel which is considered essential by myself and the people of the Island for the growth and development of Tinian.

In conclusion, on behalf of Pacific Basin Hotel & Development Corporation which desires to promote travel and the tourist industry in the Micronesian Islands, all for the betterment of its people and economy, I respectfully request that you amend the Business Permit for Pacific Basin (copy attached) to include the right to construct a one hundred room hotel on the Island of Tinian as per our original application and that you simultaneously approve the lease (copy attached) which has been recommended for approval by the District so that we can pursue with due speed our construction of a first class hotel on the Island of Tinian and offer the people of Tinian an opportunity to develop tourism as an additional economic base.

Sincerely yours,

KENNETH T. JONES, JR.

President

Encls.