



DEPARTMENT OF THE NAVY  
NAVAL FACILITIES ENGINEERING COMMAND  
200 STOVALL STREET  
ALEXANDRIA, VA 22332

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IN REPLY REFER TO

9 January 1975

MEMORANDUM FOR MR. PERRY J. FLIAKAS, DEPUTY ASSISTANT  
SECRETARY OF DEFENSE (INSTALLATIONS AND  
HOUSING)

Subj: Land Requirements and Negotiations for Crested Isle  
and the Political Status Negotiations of the  
Northern Marianas Island

Encl: (1) Memo for File of 9 January 1975

1. As the DOD real estate representative in the subject negotiations I am forwarding to you a copy of the Memorandum for File, enclosure (1), on the subject. I am personally disappointed with the results of the negotiations. It appeared to me that the DOD advisors were unable to alter or effect the previously determined position by the rest of the negotiating team.
2. While I realize that the responsibility for the decision for the negotiations rests with the authorized representative of the United States, I believe that an acceptable agreement could have been reached if some of the advice or suggestions were accorded some weight. The drafting committee for the Covenant and the Technical Land Agreement appeared to concentrate their efforts to convenience the DOD representatives of the merit of what they believe our position should be instead of representing our position in their negotiations with the other side.
3. As to the negotiated price, it is my opinion it would be counter-productive to attempt to reduce the amount at this time. The Tanapag Harbor requirement is so over priced as land that it should be withdrawn. If a park is desired in this area the park should be appropriated and funded by the agency of the federal government responsible for such activities such as the Department of Interior. We cannot and should not agree to sponsor and fund a park that provides primarily, if not entirely, local benefits.
4. The question of fee versus lease was probably finally determined contrary to the sound DOD advice some time prior to the fifth round of negotiations. Congress may be

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Attach (2)

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the only hope of correcting this situation. If Congress is to be asked to authorize and appropriate funds on the basis of fee title it would be proper for Congress to insist that the United States receive the interests in land that is used to justify the payment.

5. The language of the Land Technical Agreement and in Article VIII of the Covenant which relates to DOD policy in land matters is very important. We should not agree to the adoption of a special policy of only leasing lands in the new Commonwealth. While there may be some arguments to the contrary the language in the referenced agreement and Covenant is interpreted by the legal advisors for the Northern Marianas Islands to limit the United States to this type of acquisition in the future. It is not too late to correct this matter. The language in the Covenant and the record of the negotiations should clearly state that the acquisition and disposal of land would be in accordance with existing law and regulations.

6. The above comments and the enclosed memo are intended to constitute my report on the negotiations and my suggestions of further action. If you desire any further information I will be happy to brief you or members of your staff.

7. I sincerely appreciate the confidence and support that you have afforded me in this matter. I regret that my efforts were unable to correct the preconceived positions of the Office of Micronesian Status Negotiations.

Very respectfully,

ROY MARKON  
Deputy Assistant Commander  
for Real Estate

Copy to: w/o encls  
ASD(I&L) - Mr. F. Roche  
OASD(ISA) - Capt. E.C. Whelan  
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