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PRESS RELEASE



TRUST TERRITORY OF THE PACIFIC ISLANDS

Office of the High Commissioner Saipan, Marianas Islands

FOR IMMEDIATE RELEASE
TRUST TERRITORY HEADQUARTERS

JUNE 15, 1965
RELEASE: 60-65

MARIANAS ECONOMIC DEVELOPMENT TAKES GREAT
LEAP FORWARD WITH THE SIGNING OF TWO CONTRACTS

SAIPAN, M.I. (June 15)...The High Commissioner's Office announced today events of major economic importance to the Trust Territory, and especially to the Marianas District, with the signing of two contract agreements which are intended to advance the economic development of the Territory.

The first agreement was signed with the Micronesian Development Company, Inc., a Trust Territory corporation, which provides for the lease of 7,500 acres of grazing land on the island of Tinian in order to establish a cattle grazing enterprise. Mr. Kenneth T. Jones, Jr. is the president of the corporation. The corporation has agreed to clear, fence and improve the 7,500 acres within seven years and to stock the area with 7000 head of cattle.

The annual rental for the property will be 1% of the gross receipts of the corporation for the first four years, 2% of the gross receipts for the next six years, and at the end of ten years the rental will be re-negotiated. The initial term of the lease is for 20 years, with one 10-year extension. Mr. Jones has agreed to provide services for Trust Territory cattlemen and farmers residing on Tinian by helping them clear land, purchase seed, and contract to purchase their cattle. A significant boost in the Tinian economy, as well as that of the entire Marianas District, is expected.

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ECONOMIC CONTRACTS/1st add
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The second agreement was signed by the Trust Territory Government with Micronesian Hotel Corporation to lease a portion of the Susupe Beach area for the construction of a modern hotel. The agreement, signed by Mr. John Spivey for the Trust Territory and Mr. Kenneth T. Jones, Jr., president of the Micronesian Hotel Corporation, is for a term of ten years, and may be extended by mutual agreement. The corporation intends to begin construction of a 20-room structure with a modern restaurant, swimming pool and cottages attached. It is expected that tourist travel to Saipan will be greatly enhanced by this development.

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