

**TITLE 2: NATURAL RESOURCES**  
**DIVISION 4: LAND RESOURCES**

**§ 4435. Authority to Lease Land.**

MIHA is authorized to lease for commercial development certain properties known as the North Garapan Subdivision Annex No. 2, which were conveyed to MIHA by quitclaim deed by the government of the Trust Territory of the Pacific Islands on February 25, 1965. Any such lease agreement shall be subject to the following terms and conditions:

(a) That as a result of the agreement, MIHA incurs no financial obligation, other than normal and necessary costs of administering the lease;

(b) That the subject property be put to its highest and best use by the development agreement;

(c) That the prevailing value of leases and sales of private lands on Saipan's west coast, near-shore uplands, as determined by independent appraisal of such leases and sales, be used as the basis for establishing the value which MIHA shall realize from the subject land;

(d) That the agreement provide to MIHA an up-front cash payment for the lease of the land sufficient to meet MIHA's current outstanding obligations and provide continuing payments computed as a percentage of the gross revenues derived from the subject property by the developer, any sublessee, or any successor in interest;

(e) That no reassignment of the lease shall be allowed without the renegotiation by MIHA of the terms of payment embodied in the original lease and without approval by the legislature, in the form of a joint resolution duly enacted, of such renegotiated terms;

(f) That payments to MIHA under the lease agreement shall be segregated from all other income or receipts of MIHA, shall be subject to annual audit by the Commonwealth Public Auditor, and shall be used solely for the following purposes:

(1) To meet the obligations of MIHA, as outstanding at the time of execution of the lease;

(2) To assist in providing infrastructure for existing and future Marianas Public Land Corporation village homestead developments, to the extent that FHA, FmHA, and other low interest or guaranteed mortgage programs thus become available to low and moderate income persons building homes in the homesteads; and

(3) For investment in obligations of the United States government the earnings from which shall be used by MIHA to provide decent, safe and sanitary housing for persons for low and moderate income;

(g) That the agreement stipulate that any developer shall provide, or pay a fee or exaction to the appropriate public agency or department of the Commonwealth government for the purpose of that agency or department providing to the developer, all such infrastructure facilities, including facilities for electrical power, water, sewer, transportation, recreational or cultural activities, police and fire protection, affordable housing, schools, and solid waste management, the need for which has a rational nexus to the development; and

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(h) That all existing housing currently controlled by MIHA at the subject property be replaced by decent, safe, sanitary, housing at another suitable location, that all requisite infrastructure facilities be installed and operational for said replacement housing, and that all current tenants of the Garapan Section 8 housing, who so desire, be relocated to the replacement housing, before the commencement of demolition of the existing housing or construction of the proposed development.

**Source:** PL 6-34, § 1.

**Commission Comment:** PL 6-34 took effect July 28, 1989. An attachment to that act listed the parties to whom MIHA had outstanding obligations (“the obligations of MIHA” referred to in subsection f(1)).

With respect to the references to “MIHA” in this section, see Executive Order 94-3 (effective August 23, 1994), reorganizing the executive branch, changing agency names and official titles, and effecting other changes, set forth in the Commission comment to 1 CMC § 2001; see also the comment to 2 CMC § 4411.