

H.R. 1143 - Virgin Islands National Park
(authorize to lease), VI

110TH CONGRESS
1ST SESSION

H. R. 1143

To authorize the Secretary of the Interior to lease certain lands in Virgin Islands National Park, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 16, 2007

Mrs. CHRISTENSEN introduced the following bill; which was referred to the Committee on Natural Resources

A BILL

To authorize the Secretary of the Interior to lease certain lands in Virgin Islands National Park, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. LEASE AUTHORIZED.**

4 Notwithstanding any other provision of law, after the
5 retained use estate at Virgin Islands National Park on the
6 date of the enactment of this Act has been terminated and
7 the improvements on such lands have been donated to the
8 United States, the Secretary of the Interior may enter into
9 a lease with the person holding the retained use estate
10 on the date of the enactment of this Act for the use of

- 1 such lands and improvements on terms and conditions de-
- 2 termined by the Secretary to be reasonable.

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By Mr. CARNAHAN:

H.R. 1129. A bill to provide for the construction, operation, and maintenance of an arterial road in St. Louis County, Missouri; to the Committee on Transportation and Infrastructure.

By Mr. CONYERS (for himself, Mr. SMITH of Texas, Ms. LINDA T. SANCHEZ of California, Mr. CANNON, Mr. SCOTT of Virginia, Mr. FORBES, and Mr. GOODLATTE):

H.R. 1130. A bill to amend the Ethics in Government Act of 1978 to extend the authority to withhold from public availability a financial disclosure report filed by an individual who is a judicial officer or judicial employee, to the extent necessary to protect the safety of that individual or a family member of that individual, and for other purposes; to the Committee on the Judiciary.

By Mr. BAKER (for himself, Mr. MCCREY, Mr. ALEXANDER, Mr. MELANCON, Mr. JINDAL, Mr. BOUSTANY, Mr. WOLF, and Mr. PLATTS):

H.R. 1131. A bill to establish a commission to commemorate the sesquicentennial of the American Civil War; to the Committee on Oversight and Government Reform.

By Ms. BALDWIN (for herself, Mrs. MYRICK, Mr. WAXMAN, Mrs. BLACKBURN, and Mrs. CAPPS):

H.R. 1132. A bill to amend the Public Health Service Act to provide waivers relating to grants for preventive health measures with respect to breast and cervical cancers; to the Committee on Energy and Commerce.

By Ms. BERKLEY:

H.R. 1133. A bill to provide for the energy independence of the United States; to the Committee on Ways and Means, and in addition to the Committees on Natural Resources, Energy and Commerce, and Science and Technology, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BERRY (for himself, Mrs. EMERSON, Mr. CASTLE, Mr. WYNN, Mr. TANNER, Mr. HINCHAY, Ms. SCHAKOWSKY, Mr. ALLEN, Mr. GERLACH, Ms. BORDALLO, Mr. ETHERIDGE, Mr. MARSHALL, Mrs. CAPPS, Mr. HULSHOP, Mr. HIGGINS, Mr. ROSS, Mr. RAMSTAD, Mr. GRAVES, Mr. MCCOTTER, Mr. GARY G. MILLER of California, Mr. PRICE of North Carolina, Mr. YOUNG of Alaska, Mr. SOUDER, Mr. CAPUANO, Mr. JONES of North Carolina, Mr. KENNEDY, Mr. CONYERS, Mr. FRANK of Massachusetts, Mr. CLEAVER, Mr. MORAN of Kansas, Mr. MORAN of Virginia, Mr. OBERSTAR, and Mr. BOREN):

H.R. 1134. A bill to amend the Public Health Service Act to provide for the participation of physical therapists in the National Health Service Corps Loan Repayment Program, and for other purposes; to the Committee on Energy and Commerce.

By Mr. BISHOP of New York (for himself, Mr. KUHLMAN of New York, Mr. ISRAEL, Mr. MCHUGH, Mr. HINCHAY, and Mr. WALSH of New York):

H.R. 1135. A bill to amend the Internal Revenue Code of 1986 to clarify that installment sales treatment shall not fail to apply to property acquired for conservation purposes by a State or local government or certain tax-exempt organizations merely because purchase funds are held in a sinking or similar fund pursuant to State law; to the Committee on Ways and Means.

By Mr. BLUMENAUER (for himself and Mr. WALDEN of Oregon):

H.R. 1136. A bill to abolish the Committee on Standards of Official Conduct in the

House of Representatives, establish an Independent Ethics Commission, and provide for the transfer of the duties and functions of the committee to the Commission; to the Committee on House Administration, and in addition to the Committees on Rules, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BROWN of South Carolina (for himself, Mr. MICHAUD, and Mr. MILLER of Florida):

H.R. 1137. A bill to amend title 38, United States Code, to increase to \$2,000 the amount of the Medal of Honor special pension under that title and to provide for payment of that pension to the surviving spouse of a deceased Medal of Honor recipient; to the Committee on Veterans' Affairs.

By Mr. BUTTERFIELD (for himself, Mr. COBLE, Mr. PRICE of North Carolina, Mr. JONES of North Carolina, Mr. ETHERIDGE, Mr. WATT, Mrs. MYRICK, Mr. HAYES, Mr. MCINTYRE, Mr. MILLER of North Carolina, Ms. FOX, Mr. MCHENRY, and Mr. SHULER):

H.R. 1138. A bill to designate the Federal building and United States courthouse located at 306 East Main Street in Elizabeth City, North Carolina, as the "J. Herbert W. Small Federal Building and United States Courthouse"; to the Committee on Transportation and Infrastructure.

By Mr. CALVERT:

H.R. 1139. A bill to authorize the Secretary of the Interior to plan, design and construct facilities to provide water for irrigation, municipal, domestic, and other uses from the Bunker Hill Groundwater Basin, Santa Ana River, California, and for other purposes; to the Committee on Natural Resources.

By Mr. CALVERT (for himself, Mr. CAMPBELL of California, and Mr. GARY G. MILLER of California):

H.R. 1140. A bill to authorize the Secretary, in cooperation with the City of San Juan Capistrano, California, to participate in the design, planning, and construction of an advanced water treatment plant facility and recycled water system, and for other purposes; to the Committee on Natural Resources.

By Mr. CANNON:

H.R. 1141. A bill to provide an amnesty period during which veterans and their family members can register certain firearms in the National Firearms Registration and Transfer Record, and for other purposes; to the Committee on the Judiciary, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. CAPPS (for herself and Mrs. JO ANN DAVIS of Virginia):

H.R. 1142. A bill to amend title 5, United States Code, to create a presumption that disability of a Federal employee in fire protection activities caused by certain conditions is presumed to result from the performance of such employee's duty; to the Committee on Education and Labor.

By Mrs. CHRISTENSEN:

H.R. 1143. A bill to authorize the Secretary of the Interior to lease certain lands in Virgin Islands National Park, and for other purposes; to the Committee on Natural Resources.

By Mr. CLYBURN (for himself, Mr. HOYER, Ms. NORTON, Mr. MELANCON, Mr. JEFFERSON, Mr. TAYLOR, Mr. THOMPSON of Mississippi, Mr. BARROW, Mr. BERRY, Mr. BISHOP of Georgia, Mr. BLUMENAUER, Ms. BORDALLO,

Ms. CORRINE BROWN of Florida, Mr. BUTTERFIELD, Ms. CARSON, Mrs. CHRISTENSEN, Ms. CLARKE, Mr. CLAY, Mr. CLEAVER, Mr. CONYERS, Mr. CROWLEY, Mr. CUMMINGS, Mr. DAVIS of Alabama, Mr. DAVIS of Illinois, Mr. ELLISON, Mr. FATTAH, Mr. AL GREEN of Texas, Mr. GRIJALVA, Mr. HASTINGS of Florida, Mr. JACKSON of Illinois, Ms. JACKSON-LEE of Texas, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. JOHNSON of Georgia, Ms. KILPATRICK, Ms. LEE, Mr. LEWIS of Georgia, Mrs. MALONEY of New York, Mr. MEEK of Florida, Mr. MEEKS of New York, Ms. MILLENDER-MCDONALD, Mrs. MCCARTHY of New York, Mr. McDERMOTT, Mr. MICHAUD, Ms. MOORE of Wisconsin, Mr. PAYNE, Mr. PRICE of North Carolina, Mr. RANGEL, Mr. ROSS, Mr. RUSH, Mr. SCOTT of Georgia, Mr. SCOTT of Virginia, Ms. SUTTON, Mr. TOWNS, Mrs. JONES of Ohio, Ms. WATERS, Mr. WATT, Ms. WATSON, Ms. WOOLSEY, and Mr. WYNN):

H.R. 1144. A bill to waive the non-Federal share of the cost of certain disaster assistance provided in connection with Hurricanes Katrina and Rita, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. CRAMER (for himself and Mr. ADERHOLTE):

H.R. 1145. A bill to establish the Muscle Shoals National Heritage Area in the State of Alabama, and for other purposes; to the Committee on Natural Resources.

By Mr. CROWLEY (for himself, Mr. CANTOR, Mr. POMEROY, and Mr. REYNOLDS):

H.R. 1147. A bill to amend the Internal Revenue Code of 1986 to simplify certain provisions applicable to real estate investment trusts, and for other purposes; to the Committee on Ways and Means.

By Ms. DELAUNO (for herself, Ms. KAPTUR, Mr. McDERMOTT, Mr. GEORGE MILLER of California, Ms. MATSUI, Ms. BERKLEY, Mr. GRIJALVA, Ms. WOOLSEY, and Ms. MCCOLLUM of Minnesota):

H.R. 1148. A bill to establish the Food Safety Administration to protect the public health by preventing food-borne illness, ensuring the safety of food, improving research on contaminants leading to food-borne illness, and improving security of food from intentional contamination, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committee on Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. DREIER (for himself, Mr. SCHIFF, Mr. CALVERT, Mr. MCKEON, Mr. HERGEN, Mr. ISSA, Mrs. BONO, Mr. ROHRBACHER, Mr. GALLEGLY, and Mr. GARY G. MILLER of California):

H.R. 1149. A bill to amend title 18, United States Code, to protect federally funded public safety officers; to the Committee on the Judiciary.

By Mr. EMANUEL (for himself, Mr. DREIER, Mr. McDERMOTT, Ms. KILPATRICK, Ms. JACKSON-LEE of Texas, Mr. SHULER, Mr. JOHNSON of Georgia, Mr. SHERMAN, Mr. MORAN of Virginia, and Ms. MATSUI):

H.R. 1150. A bill to establish the Commission on Economic Indicators to conduct a

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CONGRESSIONAL RECORD—HOUSE

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Your mercy. Enable us, as Your free children, to move and act with responsibility, facing the consequences of all our decided words and actions today.

Give us faith, Lord, which is strong enough to sense Your presence in our midst and bold enough to seek Your holy inspiration in our ordered routine.

Then, in partnership with one another, empower us to broaden the field of justice and establish a Nation of mutual understanding and trust. So let us give You glory today and every day of our lives. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House her approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. BISHOP of Utah. Madam Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER pro tempore. The question is on the Speaker's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BISHOP of Utah. Madam Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8, rule XX, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Pennsylvania (Mr. PITTS) come forward and lead the House in the Pledge of Allegiance.

Mr. PITTS led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ETHANOL WILL SAVE US ALL?

(Mr. POE asked and was given permission to address the House for 1 minute.)

Mr. POE. Madam Speaker, they told us that ethanol from corn would save us all—save us from global warming and dependence on foreign oil, but it just isn't so.

The rush to till up more farmland may turn out to be a crop disaster. Science Magazine reports that "using good crop land to expand biofuels will increase global warming." The reason is, now farmers will need to plow under more forests and massive grasslands to grow enough of that "savior" corn. But doing so will release carbon stored in plants and soils.

The new evidence indicates, "after taking into account worldwide land use changes, corn-based ethanol will increase greenhouse gasses by (a staggering) 93 percent compared to gasoline over a 30-year period."

It is only logical that if farmland once used to grow corn that we eat is used to grow corn that we burn as fuel, more land will be needed for both agricultural production and ethanol production.

So here comes the big wipe out of massive amounts of land, all to subsidize an unproven, unpredictable industry that is potentially hazardous to our health.

And that's just the way it is.

FISA

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, the 21-day FISA extension that our friends on the other side of the aisle fought hard to pass 2 weeks ago would have expired this week. This extension was the Democrat alternative to a permanent bill to provide our intelligence community with the tools they need to fight the war on terror, and yet we still have not voted on the bipartisan Senate bill, or any alternative bill for that matter. We've done nothing.

I believe this exposes the House leadership's plan for what it is, an abdication of their duty to provide our intelligence community with the tools needed to protect the United States.

It has been 17 days since the Protect America Act expired. In the words of the Democratic chairman of the Senate Intelligence Committee, our intelligence gathering capabilities have already been "degraded."

Contrary to what some say, there is urgency in this matter. We are losing out on obtaining new and evolving intelligence to enable our fight against terror. There are enough votes in the House to pass the bipartisan Senate bill. It's time for the Speaker to bring the legislation up for a vote.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

HOUSE OF REPRESENTATIVES,
Washington, DC, March 3, 2008.

HON. NANCY PELOSI,
The Speaker, House of Representatives,
Washington, DC.

DEAR MADAM SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House on March 3, 2008, at 2:32 p.m. and said to contain a message from the President whereby he submits the 2008 National Drug Control Strategy.

With best wishes, I am
Sincerely,

LORRAINE C. MILLER,
Clerk of the House.

2008 NATIONAL DRUG CONTROL STRATEGY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 110-98)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committees on Armed Services, Education and Labor, Energy and Commerce, Foreign Affairs, Homeland Security, the Judiciary, Natural Resources, Oversight and Government Reform, Small Business, Transportation and Infrastructure, Veterans' Affairs, and Ways and Means and ordered to be printed:

To the Congress of the United States:

I am pleased to transmit the 2008 National Drug Control Strategy, consistent with the provisions of section 201 of the Office of National Drug Control Policy Reauthorization Act of 2006.

My Administration published its first National Drug Control Strategy in 2002, inspired by a great moral imperative: we must reduce illegal drug use because, over time, drugs rob men, women, and children of their dignity and of their character. Thanks to bipartisan support in the Congress; the work of Federal, State, local, and tribal officials; and the efforts of ordinary citizens, 6 years later fewer Americans know the sorrow of addiction.

We have learned much about the nature of drug use and drug markets, and have demonstrated what can be achieved with a balanced strategy that puts resources where they are needed most. Prevention programs are reaching Americans in their communities, schools, workplaces, and through the media, contributing to a 24 percent decline in youth drug use since 2001. Today, approximately 860,000 fewer young people are using drugs than in 2001. We have expanded access to treatment in public health settings, the criminal justice system, and in sectors of society where resources are limited. The Access to Recovery program alone has extended treatment services to an additional 190,000 Americans, exceeding its 3-year goal by over 50 percent. We have seized unprecedented amounts of illegal drugs and have denied drug traffickers and terrorists the profits they need to conduct their deadly work. During the first three quarters of 2007 we saw significant disruptions in the cocaine and methamphetamine markets, with prices rising by 44 percent and 73 percent, and purities falling by 15 percent and 31 percent, respectively.

These results do not mean that our work is done. Rather, they provide a charter for future efforts. By pursuing a balanced strategy that addresses the epidemiology of drug use and the economics of drug availability, we can further reduce drug use in America.

I thank the Congress for its support and ask that it continue this noble work on behalf of the American people.

GEORGE W. BUSH.
THE WHITE HOUSE, March 3, 2008.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. BIJUMENAUER). Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Record votes on postponed questions will be taken after 6:30 p.m. today.

AUTHORIZING SECRETARY OF INTERIOR TO LEASE LANDS IN VIRGIN ISLANDS NATIONAL PARK

Mr. RAHALL. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1143) to authorize the Secretary of the Interior to lease certain lands in Virgin Islands National Park, and for other purposes, as amended.

The Clerk read the title of the bill.
The text of the bill is as follows:

H.R. 1143

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DEFINITIONS.

In this Act, the following definitions apply:

- (1) SECRETARY.—The term "Secretary" means the Secretary of the Interior.
- (2) RUE.—The term "RUE" means the retained use estate entered into by the Jackson Hole Preserve and the United States on September 30, 1983.
- (3) PARK.—The term "park" means Virgin Islands National Park.
- (4) CBI.—The term "CBI" means CBI Acquisitions, L.L.C.
- (5) RESORT.—The term "Resort" means Caneel Bay Resort on the island of St. John in Virgin Islands National Park.

SEC. 2. LEASE AGREEMENT.

(a) AUTHORIZATION.—The Secretary may enter into a lease agreement with CBI governing the use of property for the continued management and operation of the Resort.

(b) ADDITIONAL LANDS.—Any lease entered into pursuant to this Act shall include the property covered by the RUE and any associated property owned by CBI donated to the National Park Service.

(c) TERMS.—The lease agreement authorized under subsection (a) shall—

- (1) require that operations and maintenance of the Resort are conducted in a manner consistent with the preservation and conservation of the resources and values of the Park as well as the best interests of the Resort;
- (2) be for the minimum number of years practicable to enable the lessee to secure financing for any necessary improvements to the Resort, taking into account the financial obligations of CBI, but in any event shall not exceed 40 years;
- (3) prohibit any transfer, assignment or sale of the lease or otherwise convey or pledge any interest in the lease without prior written notification to and approval by the Secretary;
- (4) prohibit any increase in the number of guest accommodations available at the Resort;
- (5) prohibit any increase in the overall size of the Resort;

(6) prohibit the sale of partial ownership shares or timeshares in the Resort;

(7) be designed to facilitate transfer of all property covered by the lease to Federal administration upon expiration of the lease; and

(8) include any other provisions determined by the Secretary to be necessary to protect the Park and the public interest.

(d) APPRAISALS.—The Secretary shall require appraisals to determine the fair market value of all property covered by the RUE and any property, including the value, if any, of the surrendered term of the RUE, owned by CBI to be donated, or otherwise conveyed, to the National Park Service. Such appraisals shall be conducted pursuant to the Uniform Appraisal Standards for Federal Land Acquisition.

(e) COMPENSATION.—

(1) IN GENERAL.—The lease authorized by this Act shall—

(A) require payment to the United States of the property's fair market value rent, taking into account the value of any associated property transferred by CBI as well as the value, if any, of the surrendered term of the RUE;

(B) include a provision—

(i) allowing recalculation of the amount of the payment required under this subsection, at the request of the Secretary or CBI, in the event of extraordinary unanticipated changes in conditions anticipated at the time the lease was finalized; and

(ii) providing for binding arbitration in the event the Secretary and CBI are unable to agree upon an adjustment to the payment in these circumstances.

(2) DISTRIBUTION.—Eighty percent of the payment to the United States required by this subsection shall be available to the Secretary, without further appropriation, for expenditure within the Park. The remaining twenty percent shall be deposited in the Treasury.

(3) APPLICABILITY OF CERTAIN LAW.—Section 321 of the Act of June 30, 1932 (46 U.S.C. 1302), relating to the leasing of buildings and property of the United States, shall not apply to the lease entered into by the Secretary pursuant to this Act.

SEC. 3. RETAINED USE ESTATE.

As a condition of the lease, CBI shall relinquish to the Secretary all rights under the RUE and transfer, without compensation, ownership of improvements covered by the RUE to the United States.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from West Virginia (Mr. RAHALL) and the gentleman from Utah (Mr. BISHOP) will each control 20 minutes.

The Chair recognizes the gentleman from West Virginia.

GENERAL LEAVE

Mr. RAHALL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. REYES. Mr. Speaker, I wish to commend our distinguished colleague from the Virgin Islands, a valuable member of our Committee on Natural Resources and the chairwoman of our Insular Affairs Subcommittee, DONNA CHRISTENSEN, for sponsoring the pending legislation, H.R. 1143.

The bill would authorize the National Park Service to continue its successful relationship with Caneel Bay Resort,

ensure that park resources are protected, and allow the resort to undertake needed maintenance and improvement programs that will benefit visitors to Virgin Islands National Park and the Caneel Bay Resort well into the future.

Congresswoman CHRISTENSEN deserves our thanks for her work in ensuring that visitor services at Virgin Islands National Park are available and that resources are protected.

I fully support passage of the pending bill and urge its adoption by the House today.

Mr. Speaker, I reserve the balance of my time.

Mr. BISHOP of Utah. Mr. Speaker, I rise to speak on H.R. 1143 and yield myself such time as I may consume.

This has been adequately explained by Chairman RAHALL. We support this legislation.

Mr. Speaker, I have no additional speakers, and I yield back the balance of my time.

Mr. REYES. Mr. Speaker, I yield such time as she may consume to the gentlelady from the Virgin Islands, Dr. CHRISTENSEN.

Mrs. CHRISTENSEN. I thank the chairman for yielding.

Mr. Speaker, I rise in, of course, strong support of H.R. 1143, legislation I introduced to authorize the Secretary of the Interior to enter into a new arrangement, a lease with the owners of Caneel Bay Resort in my congressional district.

I want to also thank Chairman RAHALL, as well as Chairman GRIJALVA for not only supporting the passage of this bill, but for traveling to my district to see for themselves the importance of Caneel Bay to the island and to the people of St. John.

Mr. Speaker, Caneel Bay traces its roots to Laurence Rockefeller's coming to the island of St. John in 1952. He purchased the then-existing resort facilities and also acquired more than 5,000 surrounding acres to protect the area. In 1956, he donated the additional land to create the Virgin Islands National Park. At the same time, he created Caneel Bay Resort, comprising 170 acres, which continues to complement and to be environmentally consistent with the natural beauty of the park's setting.

Mr. Rockefeller subsequently decided to transfer the land underlying Caneel Bay to the National Park Service, while retaining the improvements and continuing the Caneel Bay operations. He accomplished this through the execution of a series of unique agreements generally known as a retained use estate, or RUE.

H.R. 1143 became necessary because the RUE is slated to expire in 2023, and its current owners require more than the remaining 15 years to provide the capital and long-term financing necessary to reverse the decline of the facilities over the years and to return it to the grandeur and stature that it deserves.

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Mr. Speaker, other than the Virgin Islands National Park, Caneel Bay Resort is perhaps the single most important entity to the tourism-based economy of St. John, and it's also important to the economy of the Virgin Islands in general. It is not an exaggeration to say that Caneel Bay helped to establish the U.S. Virgin Islands, and the Island of St. John in particular, as a major tourist destination point, playing a prominent role in the island's economic renaissance of the mid-1900s.

□ 1415

Since its founding in October of 1956, it has been and remains a paradise of choice for generations of families, many of whom return every year.

It's also the largest employer on St. John, employing approximately 475 workers, many of whom spend their entire career spanning two or three decades, and some even more than that as employees of Caneel.

In conclusion, Mr. Speaker, I want to thank the Natural Resources staff director, Jim Zola, and the staff of the National Parks, Forest and Public Lands Subcommittee, in particular former staff director Rick Healy and current staff director Dave Watkins, for their hard work in making it possible for H.R. 1143 to be on the floor today. I also want to thank the full committee ranking member, DON YOUNG, and subcommittee ranking member, ROB BISHOP, and their staffs for their support as well.

I urge my colleagues to support the passage of this bill, which is very important to the economy of the Virgin Islands.

Mr. RAHALL. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from West Virginia (Mr. RAHALL) that the House suspend the rules and pass the bill, H.R. 1143, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. BISHOP of Utah. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

NEVADA CANCER INSTITUTE
EXPANSION ACT

Mr. RAHALL. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1311) to direct the Secretary of the Interior to convey the Alta-Hualapai Site to the city of Las Vegas, Nevada, for the development of a cancer treatment facility, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 1311

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Nevada Cancer Institute Expansion Act".

SEC. 2. DEFINITIONS.

In this Act:

(1) ALTA-HUALAPAI SITE.—The term "Alta-Hualapai Site" means the approximately 80 acres of land that is—

(A) patented to the City under the Act of June 14, 1926 (commonly known as the "Recreation and Public Purposes Act") (43 U.S.C. 869 et seq.); and

(B) identified on the map as the "Alta-Hualapai Site".

(2) CITY.—The term "City" means the city of Las Vegas, Nevada.

(3) INSTITUTE.—The term "Institute" means the Nevada Cancer Institute, a nonprofit organization described under section 501(c)(3) of the Internal Revenue Code of 1986, the principal place of business of which is at 10441 West Twain Avenue, Las Vegas, Nevada.

(4) MAP.—The term "map" means the map titled "Nevada Cancer Institute Expansion Act" and dated July 17, 2006.

(5) SECRETARY.—The term "Secretary" means the Secretary of the Interior, acting through the Director of the Bureau of Land Management.

(6) WATER DISTRICT.—The term "Water District" means the Las Vegas Valley Water District.

SEC. 3. LAND CONVEYANCE.

(a) SURVEY AND LEGAL DESCRIPTION.—The city shall prepare a survey and legal description of Alta-Hualapai site. The survey shall conform to the Bureau of Land Management cadastral survey standards and be subject to approval by the Secretary.

(b) ACCEPTANCE.—The Secretary may accept the relinquishment by the City of all or part of the Alta-Hualapai Site.

(c) CONVEYANCE FOR USE AS NON-PROFIT CANCER INSTITUTE.—After relinquishment of all or part of the Alta-Hualapai Site to the Secretary, and not later than 180 days after request of the Institute, the Secretary shall convey to the Institute, subject to valid existing rights, the portion of the Alta-Hualapai Site that is necessary for the development of a non-profit cancer institute.

(d) ADDITIONAL CONVEYANCES.—Not later than 180 days after a request from the City, the Secretary shall convey to the City, subject to valid existing rights, any remaining portion of the Alta-Hualapai site necessary for ancillary medical or non-profit use compatible with the mission of the Institute.

(e) APPLICABLE LAW.—Any conveyance by the City of any portion of the land received under this Act shall be for no less than fair market value and the proceeds shall be distributed in accordance with section 4(e)(1) of Public Law 105-263 (112 Stat. 2345).

(f) TRANSACTION COSTS.—All land conveyed by the Secretary under this Act shall be at no cost, except that the Secretary may require the recipient to bear any costs associated with transfer of title or any necessary land surveys.

(g) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to the Committee on Natural Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report on all transactions conducted under Public Law 105-263 (112 Stat. 2345).

SEC. 4. RIGHTS-OF-WAY.

Consistent with the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701), the Secretary may grant rights of way to the Water District on a portion of the Alta-Hualapai Site for a flood control project and a water pumping facility.

SEC. 5. REVERSION.

Any property conveyed pursuant to this Act which ceases to be used for the purposes

specified in this Act shall, at the discretion of the Secretary, revert to the United States, along with any improvements thereon or thereto.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from West Virginia (Mr. RAHALL) and the gentleman from Utah (Mr. BISHOP) each will control 20 minutes.

The Chair recognizes the gentleman from West Virginia.

GENERAL LEAVE

Mr. RAHALL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. RAHALL. Mr. Speaker, H.R. 1311, introduced by our colleague from Nevada, Representative SHELLEY BERKLEY, authorizes the Secretary of the Interior to convey 80 acres of land in Las Vegas, Nevada, to the nonprofit Nevada Cancer Institute. The bill also authorizes a limited conveyance to the city of Las Vegas for the development of medical facilities affiliated with the cancer institute.

I commend our colleague, Representative BERKLEY, for her leadership on this matter and her willingness to work with the committee to address a number of issues raised with the legislation.

I support passage of H.R. 1311 and urge its adoption by the House.

Mr. Speaker, I reserve the balance of my time.

Mr. BISHOP of Utah. Mr. Speaker, I rise to speak on H.R. 1311, and I yield myself such time as I may consume.

This has also been adequately explained by Chairman RAHALL. We support this legislation. I would like to note that this legislation is an example of how local control of public land benefits our communities, and I hope the majority will support us as we explore similar ways to empower our constituents.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. RAHALL. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from West Virginia (Mr. RAHALL) that the House suspend the rules and pass the bill, H.R. 1311, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. BISHOP of Utah. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

PORT CHICAGO NAVAL MAGAZINE NATIONAL MEMORIAL ENHANCEMENT ACT OF 2008

Mr. RAHALL. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3111) to provide for the administration of Port Chicago Naval Magazine National Memorial as a unit of the National Park System, and for other purposes, as amended.

The Clerk read the title of the bill.
The text of the bill is as follows:

H.R. 3111

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Port Chicago Naval Magazine National Memorial Enhancement Act of 2008".

SEC. 2. PORT CHICAGO NAVAL MAGAZINE NATIONAL MEMORIAL.

Section 203 of the Port Chicago National Memorial Act of 1992 (Public Law 102-562; 16 U.S.C. 431; 106 Stat. 4235) is amended—

(1) by redesignating subsection (c) as subsection (f);

(2) by inserting after subsection (b) the following new subsections:

"(c) ADMINISTRATION.—The Secretary of the Interior shall administer the Port Chicago Naval Magazine National Memorial as a unit of the National Park System in accordance with this Act and laws generally applicable to units of the National Park Service Organic Act (39 Stat. 535; 16 U.S.C. 1 et seq.) and the Act of August 21, 1935 (49 Stat. 666; 16 U.S.C. 461 et seq.). Land transferred to the administrative jurisdiction of the Secretary of the Interior under subsection (d) shall be administered in accordance with this subsection.

"(d) TRANSFER OF LAND.—The Secretary of Defense shall transfer a parcel of land, consisting of approximately 5 acres, depicted within the proposed boundary on the map titled 'Port Chicago Naval Magazine National Memorial, Proposed Boundary', numbered 01880.001, and dated August 2005, to the administrative jurisdiction of the Secretary of the Interior if the Secretary of Defense determines that—

"(1) the land is excess to military needs; and

"(2) all environmental remediation actions necessary to respond to environmental contamination related to the land have been completed in accordance with the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) and other applicable laws.

"(e) AGREEMENT WITH CITY OF CONCORD AND EAST BAY REGIONAL PARK DISTRICT.—The Secretary of the Interior is authorized to enter into an agreement with the City of Concord, California, and the East Bay Regional Park District, to establish and operate a facility for visitor orientation and parking, administrative offices, and curatorial storage for the Memorial.";

(3) in subsection (f), (as redesignated by paragraph (1)), by striking "Secretary of the Navy to provide public access to the Memorial," and inserting "Secretary of Defense to provide as much public access as possible to the Memorial without interfering with military needs."

SEC. 3. SENSE OF CONGRESS ON REMEDIATION AND REPAIR OF PORT CHICAGO NAVAL MAGAZINE NATIONAL MEMORIAL.

(a) REMEDIATION.—It is the sense of Congress that, in order to facilitate the land transfer described in subsection (d) of section 203 of the Port Chicago National Memo-

rial Act of 1992, as added by section 2, the Secretary of Defense should promptly remediate remaining environmental contamination related to the land.

(b) REPAIR.—It is the sense of Congress that, in order to preserve the Port Chicago Naval Magazine National Memorial for future generations, the Secretary of Defense and the Secretary of the Interior should work together to—

(1) repair storm damage to the Port Chicago site; and

(2) develop a process by which future repairs and necessary modifications to the site can be achieved in as timely and cost-effective a manner as possible.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from West Virginia (Mr. RAHALL) and the gentleman from Utah (Mr. BISHOP) each will control 20 minutes.

The Chair recognizes the gentleman from West Virginia.

GENERAL LEAVE

Mr. RAHALL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. RAHALL. Mr. Speaker, I am pleased to bring to the House for its consideration this legislation that's sponsored by the former chairman of the Committee on Natural Resources and current chairman of the Committee on Education and Labor, Representative GEORGE MILLER.

This bill provides that the Port Chicago Naval Magazine Memorial be managed as a unit of the National Park System. Currently, the area is managed as an affiliated site by the National Park Service.

On July 17, 1944, 320 men, 202 of whom were African American sailors, were killed in an explosion at the Port Chicago Navy ammunition loading base in the San Francisco Bay area. This was the largest homeland disaster during World War II.

In 1992, Congress designated the Port Chicago Naval Magazine Memorial. The pending measure furthers that commitment by providing that the Port Chicago Naval Magazine Memorial be managed as a unit of the National Park System.

Mr. Speaker, I urge support for H.R. 3111, and I submit the following exchange of letters for the RECORD.

**HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, DC, January 31, 2008.**

Hon. NICK J. RAHALL II,
Chairman, Committee on Natural Resources,
Washington, DC.

DEAR MR. CHAIRMAN: On October 10, 2007, the Committee on Natural Resources ordered H.R. 3111, the "Port Chicago Naval Magazine National Memorial Enhancement Act of 2007," to be reported. As you know, this measure contains certain provisions that are within the jurisdiction of the Committee on Armed Services, and thus, was sequentially referred to the Committee on Armed Services by the Parliamentarian for the House.

Our Committee recognizes the importance of H.R. 3111 and the need for the legislation to move expeditiously. Therefore, while we have a valid claim to jurisdiction over this legislation, the Committee on Armed Services will waive further consideration of H.R. 3111. I do so with the understanding that by waiving further consideration of the bill, the Committee does not waive any future jurisdictional claims over similar measures. In the event of a conference with the Senate on this bill, the Committee on Armed Services reserves the right to seek the appointment of conferees.

I would appreciate the inclusion of this letter and a copy of the response in your Committee's report on H.R. 3111 and the Congressional Record during consideration of the measure on the House floor.

Very truly yours,

IKE SKELTON,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON NATURAL RESOURCES,
Washington, DC, February 5, 2008.

Hon. IKE SKELTON,
Chairman, Committee on Armed Services,
Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your willingness to expedite floor consideration of H.R. 3111, which provides for the administration of the Port Chicago Naval Magazine National Memorial as a unit of the National Park System.

I appreciate your willingness to waive rights to further consideration of H.R. 3111, and am pleased that mutually agreed upon language was developed for this legislation. Of course, this waiver does not prejudice any further jurisdictional claims by your Committee over this legislation or similar language. Furthermore, I agree to support your request for appointment of conferees from the Committee on Armed Services if a conference is held on this matter.

Although the Committee's report on H.R. 3111 has already been filed, this exchange of letters will be inserted in the Congressional Record as part of the consideration of the bill on the House floor. Thank you for the cooperative spirit in which you have worked regarding this matter and others between our respective committees.

With warm regards, I am

Sincerely,

NICK J. RAHALL II,
Chairman.

Mr. Speaker, I reserve the balance of my time.

Mr. BISHOP of Utah. Mr. Speaker, I rise to speak on H.R. 3111, and I yield myself 15 seconds.

The chairman has adequately explained the bill. It's a good bill.

Mr. GEORGE MILLER of California. Mr. Speaker, I rise in support of the Port Chicago Naval Magazine National Memorial Enhancement Act, a bill that ensures that the stories of Port Chicago will be preserved and that the site will be properly maintained for generations to come. This bill will increase the National Memorial's accessibility, provide additional visitor services, and help ensure long-term preservation of the site.

The legislation before us today is the result of months of diligent and collaborative effort, for which I want to thank: Chairman NICK RAHALL of the Natural Resources Committee, and ranking member DON YOUNG; Chairman RAÚL GRIJALVA of the National Parks, Forests, and Public Lands Subcommittee, and ranking member ROB BISHOP; Chairman IKE SKELTON of the Armed Services Committee, and ranking member DUNCAN HUNTER; and the

may a reality. The Jupiter Inlet Lighthouse Outstanding Natural Area Act serves as an example of what local governments working together can do. The commitment to this historical lighthouse from officials and volunteers from Palm Beach County, the Town of Jupiter, the Village of Tequesta, and the Loxahatchee River Historical Society is truly remarkable.

I would specifically like to recognize the efforts of Palm Beach County Commissioner Karen Marcus and Mayor Karen Gionka from the town of Jupiter. Their leadership and vision have been invaluable on this project.

The Jupiter Inlet Lighthouse is more than a beacon of light that guides mariners to safety; it is a monument to Florida's history and a symbol of our community. Since the lighthouse's construction in 1860, it has played an important role during military conflicts and has facilitated commerce up and down the East Coast.

Designed by Lieutenant George Meade, who would later become famous for his service during the Civil War, the light allowed for vessels to safely travel down Florida's coast carrying cargo to new markets in the Caribbean. During World War II, the keeper dimmed the light in order to protect Allied warships traveling off the coast of Florida from German U-boat attacks. Today, the light still guides boaters safely home.

The National Landscape Conservation System, and more specifically the Outstanding Natural Area designation, was created in 2000 by the Department of the Interior in an effort to address the management needs of our Nation's public lands and historic treasures. In addition to the better management practices the system promotes, the designation helps to spur tourism and expand educational opportunities in surrounding communities.

It is important to note that the area designated by this bill as an Outstanding Natural Area is much more than the lighthouse. H.R. 1922 also seeks to protect and better coordinate the management of the more than 100 acres surrounding the historic structure. This land, like the lighthouse, has historical, cultural, and environmental value. For example, the area was first used by Native Americans over 4,000 years ago. Likewise, in the 17th Century, Europeans first made contact with this area.

This lighthouse and the surrounding area, however, is much more than a historical marker. It has become a symbol of this community, woven into the fabric of our culture, even appearing on the town of Jupiter's seal.

I recently received a letter from a student at Jupiter High School detailing why the lighthouse is special to her. She says in the letter: "I often reminisce about the days my parents used to take [me] to the area when I was a child and due to these trips my love for nature and its protection first started to blossom." Today, she is a member of the Jupiter High School Environmental Research and Field Studies Academy. It is important that we preserve this structure and continue to give children the opportunity to explore their history and learn about the environment.

In closing, I would like to thank Chairman RAHALL and Subcommittee Chairman GRIJALVA for their support throughout this process.

Mr. Speaker, I urge my colleagues to support H.R. 1922, the Jupiter Inlet Lighthouse Outstanding Natural Area Act.

Mr. BISHOP of Utah. Mr. Speaker, I yield back the balance of my time.

Mr. RAHALL. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from West Virginia (Mr. RAHALL) that the House suspend the rules and pass the bill, H.R. 1922, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: "A bill to designate the Jupiter Inlet Lighthouse and the surrounding Federal land in the State of Florida as an Outstanding Natural Area and as a unit of the National Landscape Conservation System, and for other purposes."

A motion to reconsider was laid on the table.

WRIGHT BROTHERS-DUNBAR NATIONAL HISTORICAL PARK DESIGNATION ACT

Mr. RAHALL. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4191) to redesignate Dayton Aviation Heritage National Historical Park in the State of Ohio as "Wright Brothers-Dunbar National Historical Park", and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 4191

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Wright Brothers-Dunbar National Historical Park Designation Act".

SEC. 2. REDESIGNATION OF DAYTON AVIATION HERITAGE NATIONAL HISTORICAL PARK.

(a) REDESIGNATION.—The Act titled "An Act to establish the Dayton Aviation Heritage National Historical Park in the State of Ohio, and for other purposes", approved October 16, 1992 (106 Stat. 2141), is amended—

(1) by striking "Dayton Aviation Heritage National Historical Park" each place it appears and inserting "Wright Brothers-Dunbar National Historical Park";

(2) by redesignating subsection (b) of section 108 as subsection (c); and

(3) by inserting after subsection (a) of section 108 the following new subsection:

"(b) GRANT ASSISTANCE.—The Secretary is authorized to make grants to the parks' partners, including the Aviation Trail, Inc., the Ohio Historical Society, and Dayton History, for projects not requiring Federal involvement other than providing financial assistance, subject to the availability of appropriations in advance identifying the specific partner grantee and the specific project. Projects funded through these grants shall be limited to construction and development on non-Federal property within the boundaries of the park. Any project funded by such a grant shall support the purposes of the park, shall be consistent with the park's general management plan, and shall enhance public use and enjoyment of the park."

(b) REFERENCES.—Any reference in any law (other than this Act), map, regulation, document, record, or other official paper of the United States to the "Dayton Aviation Heritage National Historical Park" shall be considered to be a reference to the "Wright Brothers-Dunbar National Historical Park".

SEC. 3. NATIONAL AVIATION HERITAGE AREA.

Title V of division J of the Consolidated Appropriations Act, 2005 (16 U.S.C. 1132 note; Public Law 108-447), is amended—

(1) in section 503(3), by striking "104" and inserting "504";

(2) in section 504(4), by striking "106" and inserting "506";

(3) in section 504, by striking subsection (b)(2) and by redesignating subsection (b)(3) as subsection (b)(2); and

(4) in section 505(b)(1), by striking "106" and inserting "506".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from West Virginia (Mr. RAHALL) and the gentleman from Utah (Mr. BISHOP) each will control 20 minutes.

The Chair recognizes the gentleman from West Virginia.

GENERAL LEAVE

Mr. RAHALL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. RAHALL. Mr. Speaker, H.R. 4191, introduced by our colleague Representative MICHAEL TURNER of Ohio, would change the Name of Dayton Aviation Heritage National Historical Park in Ohio to the Wright Brothers-Dunbar National Historical Park. The bill also sets conditions under which the Secretary of Interior may make grants to the park's partners.

A contemporary of the Wright brothers in Dayton was poet Paul Laurence Dunbar. The house that Dunbar purchased for his mother is part of Dayton Aviation Heritage National Historical Park. The Wright brothers and Paul Laurence Dunbar are each featured prominently at this park, and this redesignation of the park as the Wright Brothers-Dunbar National Historical Park will provide equal weight to both of these important stories.

I support passage of H.R. 4191 and urge its adoption.

Mr. Speaker, I reserve the balance of my time.

Mr. BISHOP of Utah. Mr. Speaker, I rise to speak on H.R. 4191, and yield myself such time as I may consume.

This does change the name of the Dayton Aviation National Park to reflect more accurately the individuals being commemorated at this site and the role they played in the history of aviation in this country. Additionally, this new name describes the park's purpose.

I thank my colleague from Ohio (Mr. TURNER) for bringing this bill to us. It is an excellent bill, and I urge its adoption.

Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. TURNER), the sponsor of the bill.

Mr. TURNER. Mr. Speaker, I want to thank National Parks, Forests, and Public Lands Subcommittee Chairman

GRUJALVA and Ranking Member BISHOP, as well as Natural Resources full committee Chairman RAHALL and Ranking Member YOUNG, for their support in bringing this bill to the floor today.

H.R. 4191, the Wright Brothers-Dunbar National Historical Park Designation Act, is identical to H.R. 4612 from the 109th Congress which passed the House Committee on Resources by unanimous consent on June 21, 2006. It renames the Dayton Aviation National Historic Park as the Wright Brothers-Dunbar National Historical Park.

In 2002, Chairman and Federal Judge Walter Rice of the Dayton Aviation Heritage Commission appointed a committee made up of commission members to make recommendations regarding the name of the Dayton Aviation National Historic Park.

The committee held several hearings and solicited comments from businesses, government, stakeholders, neighborhood and citizens groups on the name change. Based on the public comments, the committee recommended to the commission that the name of the park, Dayton Aviation Heritage National Historical Park, be changed to the Wright Brothers-Dunbar National Historical Park.

Following input from the community, that committee recommended to the commission that the name of the park be changed to the Wright Brothers-Dunbar National Historical Park, which was approved by the full commission and the National Park Service in 2003.

The commission recognized a number of reasons for the name change. The new name establishes a clear connection to the universally recognized Wright brothers, the inventors of the airplane, and the new name also creates a better link between the park and the primary park assets. All four of the park sites, a majority of interpretive exhibits and media at the park sites describe the accomplishments of the Wright brothers and the first recognized African American Poet Laureate, Paul Laurence Dunbar.

Finally, the new name also establishes a better distinction between the park and the new National Aviation Heritage Area.

The new name of this park will truly be a reflection of Dayton's heritage, that of innovation and creativity. The Wright brothers' airplane and Dunbar's famous poems are two historic assets which make Dayton a great place to call home. It is fitting that the new park name pays homage to Dayton's hometown heroes, Paul Laurence Dunbar and Orville and Wilbur Wright.

It is also important to note that the National Heritage Park in Dayton is unique in that it is a scattered site national park and it works with regional partners to advance the park's mission. The Park Service partners with "Dayton History" at Carillon Park and Wright-Patterson Air Force Base to provide maintenance and program assistance for park assets.

Both entities contain different parts of the national park. The Wright Flyer III, the world's first practical airplane, is located at Carillon Park, and the Huffman Prairie Flying Field, where the Wright brothers perfected flight, is located on the grounds of Wright-Patterson Air Force Base. This bill authorizes grant funding to these partner organizations to ensure their continued cooperation with the Park Service in fulfilling the mission of the park.

Mr. Speaker, today's bill is the result of a community process which has resulted in an improved and more appropriate name to a regional asset, a name which reflects Dayton's true heritage. While Ohio is the birthplace of aviation, Dayton is the birthplace of the first airplane and the birthplace of Wright-Patterson Air Force Base, where 1 million people every year visit the National Museum of the United States Air Force.

Dayton's future is bright, with over 1,000 jobs headed to Wright-Patterson Air Force Base as a result of 2005 BRAC process, and it will continue to be a leader in American innovation.

Mr. Speaker, the Wright brothers and Paul Laurence Dunbar would be proud of the accomplishments in their hometown, and I am proud today to speak for this bill, which will honor their legacies.

Mr. BISHOP of Utah. Mr. Speaker, once again I encourage adoption of this excellent bill, and I yield back the balance of my time.

Mr. RAHALL. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from West Virginia (Mr. RAHALL) that the House suspend the rules and pass the bill, H.R. 4191.

The question was taken. The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. BISHOP of Utah. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered. The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until approximately 3:30 p.m. today.

Accordingly (at 2 o'clock and 55 minutes p.m.), the House stood in recess until approximately 3:30 p.m.

□ 1830

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. DONNELLY) at 6 o'clock and 30 minutes p.m.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON TOMORROW

Mr. SCOTT of Georgia. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

THE JOURNAL

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the unfinished business is the question on agreeing to the Speaker's approval of the Journal which the Chair will put de novo.

The question is on the Speaker's approval of the Journal.

Pursuant to clause 1, rule I, the Journal stands approved.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, proceedings will resume on motions to suspend the rules previously postponed.

Votes will be taken in the following order:

H.R. 1143, by the yeas and nays;

H.R. 1311, by the yeas and nays;

H.R. 816, by the yeas and nays.

The vote on H.R. 4191 will be taken tomorrow.

The first electronic vote will be conducted as a 15-minute vote. Remaining electronic votes will be conducted as 5-minute votes.

AUTHORIZING SECRETARY OF INTERIOR TO LEASE LANDS IN VIRGIN ISLANDS NATIONAL PARK

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and pass the bill, H.R. 1143, as amended, on which the yeas and nays were ordered.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from West Virginia (Mr. RAHALL) that the House suspend the rules and pass the bill, H.R. 1143, as amended.

The vote was taken by electronic device, and there were—yeas 378, nays 0. Not voting 50, as follows:

[Roll No. 68]
YEAS—378

Abercrombie	Baird	Biggert
Ackerman	Baldwin	Billbray
Aderholt	Barrett (SC)	Billrakis
Alexander	Barrow	Bishop (GA)
Allen	Bartlett (MD)	Bishop (NY)
Altumire	Barton (TX)	Bishop (UT)
Andrews	Bean	Blackburn
Archer	Becerra	Blumenauer
Baca	Berkley	Blunt
Bachmann	Berman	Boehner
Bachus	Berry	Bonner

March 4, 2008

CONGRESSIONAL RECORD—HOUSE

H1205

Bono Mack	Gohmert	McNerney	Souder	Towns	Watt	Capito	Hodes	Nadler
Boozman	Goode	McNulty	Space	Twombas	Waxman	Capps	Hoekstra	Napolitano
Boren	Goodlatte	Melancon	Spratt	Turner	Welch (VT)	Capuano	Holden	Neal (MA)
Boswell	Gordon	Mica	Stark	Udall (CO)	Westmoreland	Cardoza	Holt	Neugebauer
Boucher	Graves	Michaud	Stearns	Udall (NM)	Wexler	Carter	Honda	Nunes
Boustany	Grijalva	Miller (MI)	Stupak	Upton	Whitfield (KY)	Castle	Proley	Oberstar
Boyd (FL)	Hall (NY)	Miller (NC)	Sullivan	Van Hollen	Wilson (NM)	Castor	Hoyer	Obey
Boyd (KS)	Hare	Miller, Gary	Sutton	Velázquez	Wilson (OH)	Chabot	Hunter	Oliver
Brady (PA)	Harman	Miller, George	Tancredo	Visclosky	Wilson (SC)	Chandler	Inglis (SC)	Pallone
Brady (TX)	Hastings (FL)	Mitchell	Tauscher	Walberg	Wittman (VA)	Clarke	Inlee	Pascarella
Briley (IA)	Hastings (WA)	Mollohan	Taylor	Walden (OR)	Wolf	Clay	Israel	Pastor
Brown (GA)	Hayes	Moore (KS)	Terry	Walsh (NY)	Wu	Cleaver	Issa	Paul
Brown (SC)	Heit	Moore (WI)	Thompson (CA)	Walsh (MN)	Wynn	Clyburn	Jackson (IL)	Payne
Brown, Corrine	Herger	Moran (KS)	Thompson (MS)	Wamp	Yarmuth	Coble	Jefferson	Pearce
Buchanan	Hereth Sandlin	Moran (VA)	Thornberry	Wasserman	Young (AK)	Cohen	Johnson (GA)	Pence
Buyer	Higgins	Murphy (CT)	Tiahrt	Schultz	Young (FL)	Cole (OK)	Jones (NC)	Perlmutter
Calvert	Hill	Murphy, Patrick	Tierney	Watson		Conaway	Jordan	Peterson (MN)
Camp (MI)	Hinchee	Murphy, Tim				Cooper	Kagen	Petri
Campbell (CA)	Hinojosa					Costello	Kanjorski	Pickering
Cannon	Hirono	Musgrave				Costello	Kaptur	Pitts
Cantor	Hobson	Myrick	Akin	Green, Gene	Peterson (PA)	Courtney	Kennedy	Platts
Capito	Hodes	Nadler	Brown-Walke	Gutierrez	Radanovich	Cramer	Kildee	Poe
Capps	Hoekstra	Napolitano	Ginny	Hall (TX)	Rangel	Crenshaw	Kilpatrick	Pomeroy
Capuano	Holden	Neal (MA)	Burgess	Hensarling	Renzi	Crowley	Kind	Porter
Cardoza	Holt	Neugebauer	Burton (IN)	Hulshof	Reyes	Cubin	King (IA)	Price (GA)
Carter	Honda	Nunes	Butterfield	Jackson-Lee	Rodriguez	Cuellar	King (NY)	Price (NC)
Castle	Hooley	Oberstar	Carnahan	(TX)	Rogers (AL)	Culberson	Kingston	Price (OH)
Castor	Hoyer	Obey	Carney	Johnson (IL)	Rush	Cummings	Kirk	Putnam
Chabot	Hunter	Oliver	Conyers	Johnson, E. B.	Sessions	Davis (AL)	Klein (FL)	Rahall
Chandler	Inglis (SC)	Pallone	Deal (GA)	Johnson, Sam	Shimkus	Davis (CA)	Kline (MN)	Ramstad
Clarke	Inlee	Pascarella	Doggett	Jones (OH)	Simpson	Davis (IL)	Knollenberg	Regula
Clay	Israel	Pastor	Everett	Keller	Tanner	Davis (KY)	Kohl (NY)	Rehberg
Cleaver	Issa	Paul	Fallon	Kucinich	Weiner	Davis, David	Laford	Reichert
Clyburn	Jackson (IL)	Payne	Fortenberry	Marchant	Weldon (FL)	Davis, Tom	Lamborn	Reynolds
Coble	Jefferson	Pearce	Gingrey	Meek (FL)	Weller	DeFazio	Lampson	Richardson
Cohen	Johnson (GA)	Pence	Gonzalez	Meeks (NY)	Woolsey	DeGette	Langevin	Rogers (KY)
Cole (OK)	Jones (NC)	Perlmutter	Granger	Miller (FL)		DeLauro	Larsen (WA)	Rogers (MI)
Conaway	Jordan	Peterson (MN)	Green, Al	Ortiz		Delahunt	Larson (CT)	Rothenberger
Cooper	Kagen					DeLauro	Latham	Ros-Lehtinen
Costa	Kanjorski	Petri				Dent	LaTourette	Roskam
Costello	Kaptur	Pickering				Diaz-Balart, L.	Latta	Ross
Courtney	Kennedy	Pitts				Diaz-Balart, M.	Lee	Rothman
Cramer	Kildee	Poe				Dicks	Levin	Roybal-Allard
Crenshaw	Kilpatrick	Pomeroy				Dingell	Lewis (CA)	Royce
Crowley	Kind	Porter				Donnelly	Lewis (GA)	Ruppersberger
Cubin	King (IA)	Price (GA)				Doolittle	Lewis (KY)	Ryan (OH)
Cuellar	King (NY)	Price (NC)				Doyle	Linder	Ryan (WI)
Culberson	Kingston	Pryce (OH)				Drake	Lipinski	Salazar
Cummings	Kirk	Putnam				Dreier	LoBiondo	Sánchez, Linda
Davis (AL)	Klein (FL)	Rahall				Duncan	Loebach	T.
Davis (CA)	Kline (MN)	Ramstad				Edwards	Lofgren, Zoe	Sanchez, Loretta
Davis (IL)	Knollenberg	Regula				Ehlers	Lowey	Sarbanes
Davis (KY)	Kohl (NY)	Rehberg				Ellison	Lucas	Saxton
Davis, David	LaHood	Reichart				Ellsworth	Lungren, Daniel	Schakowsky
Davis, Lincoln	Lamborn	Reynolds				Emanuel	E.	Schiff
Davis, Tom	Lampson	Richardson				Emerson	Lynch	Schmidt
DeFazio	Langevin	Rogers (KY)				Engel	Mack	Schwartz
DeGette	Larsen (WA)	Rogers (MI)				English (PA)	Maloney (FL)	Scott (GA)
Delahunt	Larson (CT)	Rohrabacher				Eshoo	Maloney (NY)	Scott (VA)
DeLauro	Latham	Ros-Lehtinen				Etheridge	Manzullo	Sensenbrenner
Dent	LaTourette	Roskam				Farr	Markey	Serrano
Diaz-Balart, L.	Latta	Ross				Fattah	Marshall	Sestak
Diaz-Balart, M.	Lee	Rothman				Feeney	Matheson	Shade
Dicks	Levin	Roybal-Allard				Ferguson	Matsui	Shays
Dingell	Lewis (CA)	Royce				Filmer	McCarthy (CA)	Shea-Porter
Donnelly	Lewis (GA)	Ruppersberger				Flake	McCarthy (NY)	Sherman
Doolittle	Lewis (KY)	Ryan (OH)				Forbes	McCauley (TX)	Shuler
Doyle	Linder	Ryan (WI)				Fossella	McCollum (MN)	Shuster
Drake	Lipinski	Salazar				Fox	McCotter	Sires
Dreier	LoBiondo	Sánchez, Linda				Frank (MA)	McCrery	Skelton
Duncan	Loebach	T.				Franks (AZ)	McDermott	Slaughter
Edwards	Lofgren, Zoe	Sanchez, Loretta				Frelinghuysen	McGovern	Smith (NE)
Ehlers	Lowey	Sarbanes				Gallagher	McHenry	Smith (NJ)
Ellison	Lucas	Saxton				Garrett (NJ)	McHugh	Smith (TX)
Ellsworth	Lungren, Daniel	Schakowsky				Gerlach	McIntyre	Smith (WA)
Emanuel	E.	Schiff				Giffords	McKeon	Snyder
Emerson	Lynch	Schmidt				Gillibrand	McMorris	Solis
Engel	Nack	Schwartz				Gohmert	Rodgers	Souder
English (PA)	Maloney (FL)	Scott (GA)				Goode	McNulty	Space
Eshoo	Maloney (NY)	Scott (VA)				Goodlatte	Melancon	Spratt
Etheridge	Manzullo	Sensenbrenner				Gordon	Mica	Stark
Farr	Markey	Serrano				Graves	Michaud	Stearns
Fattah	Marshall	Sestak				Grijalva	Miller (MI)	Stupak
Feeney	Matheson	Shade				Hall (NY)	Miller (NC)	Sutton
Ferguson	Matsui	Shays				Hare	Miller, Gary	Tancredo
Filmer	McCarthy (CA)	Shea-Porter				Harman	Miller, George	Tauscher
Flake	McCarthy (NY)	Sherman				Hastings (FL)	Mitchell	Taylor
Forbes	McCauley (TX)	Shuler				Hastings (WA)	Mollohan	Terry
Fossella	McCollum (MN)	Shuster				Heller	Moore (KS)	Thompson (CA)
Fox	McCotter	Skelton				Herger	Moore (WI)	Thompson (MS)
Frank (MA)	McCrery	Slaughter				Hereth Sandlin	Moran (KS)	Thornberry
Franks (AZ)	McDermott	Smith (NE)				Higgins	Moran (VA)	Tiahrt
Frelinghuysen	McGovern	Smith (NJ)				Hill	Murphy (CT)	Tierney
Gallagher	McHenry	Smith (TX)				Hinchee	Murphy, Patrick	Townes
Garrett (NJ)	McHugh	Smith (WA)				Hinojosa	Murphy, Tim	Twombas
Gerlach	McIntyre	Snyder				Hirono	Musgrave	Turner
Giffords	McKeon	Solis				Hobson	Myrick	Udall (CO)
Gillibrand	McMorris							

NOT VOTING—50

Green, Gene
Gutierrez
Hall (TX)
Hensarling
Hulshof
Jackson-Lee
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (OH)
Keller
Kucinich
Marchant
Meek (FL)
Meeks (NY)
Miller (FL)
Ortiz

□ 1859

Mr. McHENRY changed his vote from "nay" to "yea."
So (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.
The result of the vote was announced as above recorded.
A motion to reconsider was laid on the table.

NEVADA CANCER INSTITUTE
EXPANSION ACT

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and pass the bill, H.R. 1311, as amended, on which the yeas and nays were ordered.
The Clerk read the title of the bill.
The SPEAKER pro tempore. The question is on the motion offered by the gentleman from West Virginia (Mr. R. L. Byrd) that the House suspend the rules and pass the bill, H.R. 1311, as amended.
This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 377, nays 0, not voting 51, as follows:

[Roll No. 89]

YEAS—377

Abercrombie	Recerra	Roswell
Ackerman	Berkley	Boucher
Aderholt	Berman	Boustany
Alexander	Berry	Boyd (FL)
Allen	Biggert	Boyd (KS)
Altmire	Bilbray	Brady (PA)
Andrews	Bilirakis	Brady (TX)
Arcuri	Bishop (GA)	Brady (IA)
Baca	Bishop (NY)	Brown (GA)
Bachmann	Bishop (UT)	Brown (SC)
Bachus	Blumenauer	Brown, Corrine
Baird	Blunt	Buchanan
Blaine	Boehner	Buyer
Blunt	Bonior	Calvert
Borah	Bonior	Camp (MI)
Bartlett (MD)	Bono Mack	Campbell (CA)
Bartea (TX)	Boonman	Cannon
Bean	Boren	Cantor

Udall (NM)
Upton
Van Hollen
Velazquez
Velasquez
Walberg
Walden (OR)
Walsh (NY)
Wass (MN)
Wamp

Wasserman
Schultz
Waters
Watt
Waxman
Welch (VT)
Westmoreland
Wexler
Whitfield (KY)

Wilson (NM)
Wilson (OH)
Wilson (SC)
Wittman (VA)
Wolf
Wynn
Yarmuth
Young (AK)
Young (FL)

Hunt
Boehner
Bonior
Bono Mack
Boozman
Boren
Boeswell
Boucher
Boustany
Boyd (FL)
Boyd (KS)
Brady (PA)

Giffords
Gibbs
Gillibrand
Gohmert
Gordon
Gonzalez
Graves
Grijalva
Hall (NY)
Hare
Harman
Hastings (FL)
Hastings (WA)

McMorris
Rodgers
McNulty
McNulty
Mica
Michaud
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mitchell

Solis
Souder
Space
Spratt
Stark
Stearns
Stupak
Sullivan
Sutton
Tancredo
Tauscher
Taylor
Terry
Thompson (CA)
Thompson (MS)

Tierney
Towns
Tsongas
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velazquez
Velasquez
Walberg
Walden (OR)
Walsh (NY)
Wamp
Wasserman
Schultz
Waters

Watson
Watt
Waxman
Welch (VT)
Westmoreland
Wexler
Whitfield (KY)
Wilson (NM)
Wilson (OH)
Wilson (SC)
Wittman (VA)
Wolf
Wu
Wynn
Yarmuth
Young (AK)
Young (FL)

NOT VOTING—51

Akin
Brown-Waite
Gingrey
Burrows
Burton (IN)
Butterfield
Carnahan
Carney
Conyers
Deal (GA)
Doggett
Everett
Fallin
Fortenberry
Gingrey
Gonzalez
Granger
Green, Al

Green, Gene
Gutierrez
Hensarling
Hulshof
Jackson-Lee
(TX)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Simpson
Kucinich
Marchant
Meek (FL)
Meeks (NY)
Miller (FL)
Ortiz

Peterson (PA)
Radanovich
Rangel
Renz
Reyes
Rodriguez
Rogers (AL)
Rush
Sessions
Shimkus
Simpson
Sullivan
Thurman
Weiner
Weldon (FL)
Weller
Woolsey

Brady (TX)
Brady (IA)
Brown (GA)
Brown (SC)
Brown, Corrine
Buchanan
Burr
Camp (MD)
Campbell (CA)
Cannon
Cantor
Capito
Capps
Caputo
Cardoza
Carter
Castle
Castor
Chabot
Chandler
Clarke
Clay
Cleaver
Clyburn
Coble
Cohen
Cole (OK)
Conaway
Cooper
Costa
Costello
Courtney
Cramer
Crenshaw
Crowley
Cubin
Culinar
Culbertson
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis (KY)
Davis, David
Davis, Lincoln
Davis, Tom
DeFazio
DeGette
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Latta
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lindor
Lipinski
LoBiondo
Loebuck
Lofgren, Zoe
Lowey
Lucas
Lundgren, Daniel
E.
Lynch
Mack
Mahoney (FL)
Maloney (NY)
Manzullo
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCauley (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHenry
McHugh
McKee

Herrington
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hobson
Hodes
Hoeftstra
Holden
Holt
Honda
Hooley
Hoyer
Hunter
Ingraham (SC)
Ingraham
Israel
Issa
Jackson (IL)
Jefferson
Johnson (GA)
Jones (NC)
Jordan
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
King (IA)
King (NY)
Kingston
Kirk
Klein (FL)
Kline (MN)
Knollenberg
Kohl (NY)
Lafont
Lamborn
Lampson
Langevin
Larsen (WA)
Larson (CT)
Latham
LaTourette
Latta
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lindor
Lipinski
LoBiondo
Loebuck
Lofgren, Zoe
Lowey
Lucas
Lundgren, Daniel
E.
Lynch
Mack
Mahoney (FL)
Maloney (NY)
Manzullo
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCauley (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHenry
McHugh
McKee

Molloy
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murphy, Tim
Murtha
Musgrave
Myrick
Nadler
Napolitano
Noel (MA)
Neugebauer
Nunes
Oberstar
Obey
Oliver
Palone
Pascarella
Pastor
Paul
Payne
Pearce
Pence
Perlmutter
Peterson (MN)
Petri
Pickering
Pitts
Platts
Poe
Pomeroy
Porter
Price (NC)
Price (OH)
Putnam
Rahall
Ramstad
Regula
Rehberg
Reichert
Reynolds
Richardson
Rogers (KY)
Rogers (MI)
Rohrabacher
Roe-Lehtinen
Roskam
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Ryan (OH)
Ryan (WI)
Salazar
Sall
Sanchez, Linda
T.
Sanchez, Loretta
Sarbanes
Saxton
Schakowsky
Schiff
Schmidt
Schwartz
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sestak
Shadegg
Shays
Shea-Porter
Sherman
Shuler
Shuster
Sires
Skelton
Slaughter
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder

NOT VOTING—53

Akin
Brown-Waite
Gingrey
Burrows
Burton (IN)
Butterfield
Carnahan
Carney
Conyers
Deal (GA)
Doggett
Everett
Fallin
Fortenberry
Gingrey
Gonzalez
Granger
Green, Al
Green, Gene

Gutierrez
Hall (TX)
Hensarling
Hulshof
Jackson-Lee
(TX)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (OH)
Keller
Kucinich
Marchant
McCarthy (CA)
McIntyre
Meek (FL)
Meeks (NY)
Miller (FL)
Ortiz

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE
The SPEAKER pro tempore (during the vote). Members are advised there are 2 minutes remaining in this vote.

□ 1915

So (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mrs. JONES of Ohio. Mr. Speaker, due to events in my district, I will miss votes today. Had I been present, I would have voted as follows:

H.R. 1143, to authorize the Secretary of the Interior to lease certain lands in Virgin Islands National Park, and for other purposes—"yea."

H.R. 1311, to direct the Secretary of the Interior to convey the Alta-Hualapai Site to the city of Las Vegas, Nevada, for the development of a cancer treatment facility—"yea."

H. J. 816, to provide for the release of certain land from the Sunrise Mountain Instant Study Area in the State of Nevada and to grant a right-of-way across the released land for the construction and maintenance of a flood control project—"yea."

PERSONAL EXPLANATION

Mr. CONYERS. Mr. Speaker, I took a leave of absence today. Had I been in attendance I would have voted as follows:

"Yea"—H.R. 1143—to authorize the Secretary of Interior to lease certain lands in Virgin Islands National Park, and for other purposes (Representative CHRISTENSEN—Natural Resources).

"Yea"—H.R. 1311—to direct the Secretary of the Interior to convey the Alta-Hualapai Site to the city of Las Vegas, Nevada, for the development of a cancer treatment facility (Representative BERKLEY—Natural Resources).

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE
The SPEAKER pro tempore (during the vote). Members are advised there are 2 minutes left in this vote.

□ 1907

So (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: "A bill to provide for the conveyance of the Alta-Hualapai Site to the Nevada Cancer Institute, and for other purposes."

A motion to reconsider was laid on the table.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Sherman Williams, one of his secretaries.

ORCHARD DETENTION BASIN
FLOOD CONTROL ACT

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and pass the bill, H.R. 816, as amended, on which the yeas and nays were ordered.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from West Virginia (Mr. RAHALL) that the House suspend the rules and pass the bill, H.R. 816, as amended.

This will be a 5-minute vote.
The vote was taken by electronic device, and there were—yeas 375, nays 0, not voting 53, as follows:

[Roll No. 90]

YEAS—375

Abercrombie
Ackerman
Aderholt
Alexander
Allen
Altman
Andrews
Arcuri
Baca
Bachmann

Bachus
Baird
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bean
Beckra
Berkley

Berman
Berry
Biggart
Bilbray
Bilbray
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer

Boehner
Bonior
Bono Mack
Boozman
Boren
Boeswell
Boucher
Boustany
Boyd (FL)
Boyd (KS)
Brady (PA)

Brady (TX)
Brady (IA)
Brown (GA)
Brown (SC)
Brown, Corrine
Buchanan
Burr
Camp (MD)
Campbell (CA)
Cannon
Cantor
Capito
Capps
Caputo
Cardoza
Carter
Castle
Castor
Chabot
Chandler
Clarke
Clay
Cleaver
Clyburn
Coble
Cohen
Cole (OK)
Conaway
Cooper
Costa
Costello
Courtney
Cramer
Crenshaw
Crowley
Cubin
Culinar
Culbertson
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis (KY)
Davis, David
Davis, Lincoln
Davis, Tom
DeFazio
DeGette
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Latta
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lindor
Lipinski
LoBiondo
Loebuck
Lofgren, Zoe
Lowey
Lucas
Lundgren, Daniel
E.
Lynch
Mack
Mahoney (FL)
Maloney (NY)
Manzullo
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCauley (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHenry
McHugh
McKee

Molloy
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murphy, Tim
Murtha
Musgrave
Myrick
Nadler
Napolitano
Noel (MA)
Neugebauer
Nunes
Oberstar
Obey
Oliver
Palone
Pascarella
Pastor
Paul
Payne
Pearce
Pence
Perlmutter
Peterson (MN)
Petri
Pickering
Pitts
Platts
Poe
Pomeroy
Porter
Price (NC)
Price (OH)
Putnam
Rahall
Ramstad
Regula
Rehberg
Reichert
Reynolds
Richardson
Rogers (KY)
Rogers (MI)
Rohrabacher
Roe-Lehtinen
Roskam
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Ryan (OH)
Ryan (WI)
Salazar
Sall
Sanchez, Linda
T.
Sanchez, Loretta
Sarbanes
Saxton
Schakowsky
Schiff
Schmidt
Schwartz
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sestak
Shadegg
Shays
Shea-Porter
Sherman
Shuler
Shuster
Sires
Skelton
Slaughter
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder

TO AUTHORIZE THE SECRETARY OF THE INTERIOR TO
LEASE CERTAIN LANDS IN VIRGIN ISLANDS NATIONAL
PARK, AND FOR OTHER PURPOSES

FEBRUARY 28, 2008.—Committed to the Committee of the Whole House on the State
of the Union and ordered to be printed

Mr. RAHALL, from the Committee on Natural Resources,
submitted the following

R E P O R T

[To accompany H.R. 1143]

[Including cost estimate of the Congressional Budget Office]

The Committee on Natural Resources, to whom was referred the bill (H.R. 1143) to authorize the Secretary of the Interior to lease certain lands in Virgin Islands National Park, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. DEFINITIONS.

In this Act, the following definitions apply:

- (1) SECRETARY.—The term "Secretary" means the Secretary of the Interior.
- (2) RUE.—The term "RUE" means the retained use estate entered into by the Jackson Hole Preserve and the United States on September 30, 1983.
- (3) PARK.—The term "park" means Virgin Islands National Park.
- (4) CBI.—The term "CBI" means CBI Acquisitions, LLC.
- (5) RESORT.—The term "Resort" means Caneel Bay Resort on the island of St. John in Virgin Islands National Park.

SEC. 2. LEASE AGREEMENT.

(a) AUTHORIZATION.—The Secretary may enter into a lease agreement with CBI governing the use of property for the continued management and operation of the Resort.

(b) ADDITIONAL LANDS.—Any lease entered into pursuant to this Act shall include the property covered by the RUE and any associated property owned by CBI donated to the National Park Service.

(c) TERMS.—The lease agreement authorized under subsection (a) shall—

- (1) require that operations and maintenance of the Resort are conducted in a manner consistent with the preservation and conservation of the resources and values of the Park as well as the best interests of the Resort;

- (2) be for the minimum number of years practicable to enable the lessee to secure financing for any necessary improvements to the Resort, taking into account the financial obligations of CBI, but in any event shall not exceed 40 years;
 - (3) prohibit any transfer, assignment or sale of the lease or otherwise convey or pledge any interest in the lease without prior written notification to and approval by the Secretary;
 - (4) prohibit any increase in the number of guest accommodations available at the Resort;
 - (5) prohibit any increase in the overall size of the Resort;
 - (6) prohibit the sale of partial ownership shares or timeshares in the Resort;
 - (7) be designed to facilitate transfer of all property covered by the lease to Federal administration upon expiration of the lease; and
 - (8) include any other provisions determined by the Secretary to be necessary to protect the Park and the public interest.
- (d) APPRAISALS.—The Secretary shall require appraisals to determine the fair market value of all property covered by the RUE and any property, including the value, if any, of the surrendered term of the RUE, owned by CBI to be donated, or otherwise conveyed, to the National Park Service. Such appraisals shall be conducted pursuant to the Uniform Appraisal Standards for Federal Land Acquisition.
- (e) COMPENSATION.—
- (1) IN GENERAL.—The lease authorized by this Act shall—
 - (A) require payment to the United States of the property's fair market value rent, taking into account the value of any associated property transferred by CBI as well as the value, if any, of the surrendered term of the RUE;
 - (B) include a provision—
 - (i) allowing recalculation of the amount of the payment required under this subsection, at the request of the Secretary or CBI, in the event of extraordinary unanticipated changes in conditions anticipated at the time the lease was finalized; and
 - (ii) providing for binding arbitration in the event the Secretary and CBI are unable to agree upon an adjustment to the payment in these circumstances.
 - (2) DISTRIBUTION.—Eighty percent of the payment to the United States required by this subsection shall be available to the Secretary, without further appropriation, for expenditure within the Park. The remaining twenty percent shall be deposited in the Treasury.
 - (3) APPLICABILITY OF CERTAIN LAW.—Section 321 of the Act of June 30, 1932 (40 U.S.C. 1302), relating to the leasing of buildings and property of the United States, shall not apply to the lease entered into by the Secretary pursuant to this Act.

SEC. 3. RETAINED USE ESTATE.

As a condition of the lease, CBI shall relinquish to the Secretary all rights under the RUE and transfer, without compensation, ownership of improvements covered by the RUE to the United States.

PURPOSE OF THE BILL

The purpose of H.R. 1143 is to authorize the Secretary of the Interior to lease certain lands in Virgin Islands National Park, and for other purposes.

BACKGROUND AND NEED FOR LEGISLATION

Caneel Bay is a luxury resort operated pursuant to a Retained Use Estate (RUE) on federal land within Virgin Islands National Park. The RUE expires in 2023, when any improvements on the land will revert to the National Park Service.

The current holder of the RUE has embarked on major renovations to Caneel Bay. However, the operators claim that the remaining life of the RUE does not afford sufficient time to provide the capital and attract the long-term financing for the improvements which are necessary to reverse the recent decline of the facilities at the resort.

H.R. 1143 authorizes the Secretary of the Interior, after expiration of the RUE, to enter into a lease with the holders of the RUE for continued operation of the resort on terms and conditions determined by the Secretary to be reasonable.

COMMITTEE ACTION

H.R. 1143 was introduced on February 16, 2007, by Rep. Donna Christensen (D-VI). The bill was referred to the Committee on Natural Resources, and within the Committee to the Subcommittee on National Parks, Forests, and Public Lands. On October 30, 2007, the Subcommittee held a hearing on the bill, during which the Administration testified in support of the bill's concept but requested the opportunity to work with the Committee regarding the bill's provisions.

On February 13, 2008, the full Natural Resources Committee met to mark up the bill. Subcommittee Chairman Raúl Grijalva (D-AZ) offered an amendment in the nature of a substitute that retained the original intent of the bill while placing additional conditions on the lease authority authorized under the bill. The Grijalva amendment was adopted by unanimous consent. The bill as amended was then ordered favorably reported to the House of Representatives by unanimous consent.

SECTION-BY-SECTION ANALYSIS

Section 1. Definitions

Section 1 defines the terms used in this act.

Section 2. Lease agreement

Subsection 2(a) authorizes the Secretary of the Interior to enter into the lease agreement with the current operators of Caneel Bay Resort. Subsection 2(b) defines the property covered by the lease.

Subsection 2(c) sets the terms of the lease. In particular, Section 2(c)1 requires resort operations and maintenance to be consistent with the preservation and conservation values of the Park and the best interests of the Resort. Section 2(c)2 sets the term of the lease as the minimum number of years necessary for the lessee to secure financing for improvements to the Resort, not to exceed 40 years. Section 2(c)3 prohibits any transfer or sale of the lease by the current lessee without approval by the Secretary. Section 2(c)4 prohibits any increase in the number of guest accommodations at the Resort. Section 2(c)5 prohibits expansion of the size of the Resort. Section 2(c)6 prohibits the sale or ownership of timeshares in the Resort. Section 2(c)7 states that the lease shall be designed to facilitate transfer of all facilities to Federal management upon expiration. Section 2(c)8 permits the inclusion of other provisions determined by the Secretary to be necessary to protect the Park and the public interest.

Subsection 2(d) requires the appraisal of all property covered by the RUE as well as any property to be donated or otherwise conveyed to the Federal government.

Section 2(e)1 requires the payment of fair market value rent to the United States by the lessee and permits recalculation of the rental payment in the event of unexpected circumstances and arbitration if the Secretary and the lessee disagree upon adjustments

to the rental payment. Section 2(e)2 requires that 20% of the rental payments be made available without further appropriation for expenditure within the Park and the remaining 20% deposited in the Treasury.

Section 3. Retained Use Estate

Section 3 directs the lessee to relinquish to the Secretary all rights under the RUE and transfer, without compensation, ownership of improvements covered by the RUE to the United States.

COMMITTEE OVERSIGHT FINDINGS AND RECOMMENDATIONS

Regarding clause 2(b)(1) of rule X and clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee on Natural Resources' oversight findings and recommendations are reflected in the body of this report.

CONSTITUTIONAL AUTHORITY STATEMENT

Article I, section 8 and Article IV, section 3, of the Constitution of the United States grants Congress the authority to enact this bill.

COMPLIANCE WITH HOUSE RULE XIII

1. Cost of Legislation. Clause 3(d)(2) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs which would be incurred in carrying out this bill. However, clause 3(d)(3)(B) of that rule provides that this requirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act of 1974.

2. Congressional Budget Act. As required by clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974, this bill does not contain any new budget authority, spending authority, credit authority, or an increase or decrease in revenues or tax expenditures.

3. General Performance Goals and Objectives. This bill does not authorize funding and therefore, clause 3(c)(4) of rule XIII of the Rules of the House of Representatives does not apply.

4. Congressional Budget Office Cost Estimate. Under clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 403 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for this bill from the Director of the Congressional Budget Office:

H.R. 1143—A bill to authorize the Secretary of the Interior to lease certain lands in Virgin Islands National Park

H.R. 1143 would authorize the National Park Service (NPS) to execute a lease with the owners of the Caneel Bay Resort on St. John in the Virgin Islands. Based on information provided by the NPS, CBO estimates that implementing the bill would have no effect on discretionary spending. Enacting the bill would increase both offsetting receipts (from lease payments) and direct spending of those receipts beginning in fiscal year 2009, but CBO estimates that any net effect on the federal budget would be negligible.

H.R. 1143 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

Under the lease authorized by H.R. 1143, the owners of Caneel Bay would continue to operate the resort, which is located within the boundary of the Virgin Islands National Park, for up to 40 years. The resort is currently operated under a retained use estate (RUE) that will expire at the end of fiscal year 2023. The RUE was granted by the original owners of the resort when they donated the land under that facility to the NPS in 1983. The original RUE agreement did not provide for any lease payments to the federal government; the lease authorized by H.R. 1143 would. In addition, the bill would authorize the NPS to spend, without further appropriation, 80 percent of any new lease receipts.

The CBO staff contact for this estimate is Deborah Reis. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.

COMPLIANCE WITH PUBLIC LAW 104-4

This bill contains no unfunded mandates.

EARMARK STATEMENT

H.R. 1143 does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(d), 9(e) or 9(f) of rule XXI.

PREEMPTION OF STATE, LOCAL OR TRIBAL LAW

This bill is not intended to preempt any State, local or tribal law.

CHANGES IN EXISTING LAW

If enacted, this bill would make no changes in existing law.



United States Department of the Interior

OFFICE OF THE SECRETARY

Washington, D.C. 20240

OCT 10 2008

The Honorable Daniel K. Akaka
Chairman, Subcommittee on National Parks
Committee on Energy and Natural Resources
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

Enclosed are responses prepared by the National Park Service to questions submitted following the Tuesday, June 17, 2008, hearing on: **H.R. 1143**, Caneel Bay Resort Lease in Virgin Islands National Parks; **S. 1774**, Sequoia-Kings Canyon Wilderness Designation; **S. 2255**, Chisholm Trail and Great Western Trail Study; **S. 2359**, St. Augustine Commemoration Commission; **S. 2943**, Pacific Northwest National Scenic Trail Designation; **S. 3010**, Route 66 Corridor Reauthorization; **S. 3045**, Kenai Mountains National Heritage Area; and **S. 3096**, Cave and Karst Research Institute Amendment.

Thank you for the opportunity to provide this material to the Subcommittee.

Sincerely,

Christopher D. Salotti
Acting Legislative Counsel
Office of Congressional and Legislative
Affairs

Enclosure

cc: Honorable Richard Burr, Ranking Minority Member

CORRECTION

The previous document(s)
may have been microfilmed
incorrectly.....



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, D.C. 20240

OCT 10 2008

The Honorable Daniel K. Akaka
Chairman, Subcommittee on National Parks
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Dear Mr. Chairman:

Enclosed are responses prepared by the National Park Service to questions submitted following the Tuesday, June 17, 2008, hearing on: **H.R. 1143**, Caneel Bay Resort Lease in Virgin Islands National Parks; **S. 1774**, Sequoia-Kings Canyon Wilderness Designation; **S. 2255**, Chisholm Trail and Great Western Trail Study; **S. 2359**, St. Augustine Commemoration Commission; **S. 2943**, Pacific Northwest National Scenic Trail Designation; **S. 3010**, Route 66 Corridor Reauthorization; **S. 3045**, Kenai Mountains National Heritage Area; and **S. 3096**, Cave and Karst Research Institute Amendment.

Thank you for the opportunity to provide this material to the Subcommittee.

Sincerely,

Christopher P. Salotti
Acting Legislative Counsel
Office of Congressional and Legislative
Affairs

Enclosure

cc: Honorable Richard Burr, Ranking Minority Member

**Senate Energy and Natural Resources
Subcommittee on National Parks
June 17, 2008, Hearing on Several Parks Bills**

Questions from Chairman Jeff Bingaman:

H.R. 1143 - Caneel Bay Resort Lease in Virgin Islands National Park

Introduction to responses: In order to answer the questions posed by the Committee, we are providing some background information regarding the Caneel Bay retained use estate (RUE) and actions taken to date by the National Park Service (NPS).

CBI Acquisitions, LLC (CBI) acquired the RUE from Caneel Bay, Inc. in 2004. In 2005, CBI approached the NPS requesting a 50-year extension of the existing RUE. CBI stated that they needed additional time on the RUE in order to make needed improvements to the property and to remain profitable and competitive in the local hotel market. The NPS is opposed to the concept of extending the RUE, and initially proposed the use of a concession contract for operations at Caneel Bay. CBI stated that they were not interested in a concession contract, but would be interested in a long-term lease. To analyze CBI's request and NPS' options, NPS hired a consulting firm, PriceWaterhouseCoopers, and their lodging expert, Lodging Investment Advisors (LIA). LIA analyzed the main options available to the NPS regarding the RUE, including conversion to a concession contract now or at the termination of the RUE, conversion to a lease now, and a land exchange coupled with the establishment of a new RUE with CBI. LIA also explored a status quo or no-action scenario, as well as demolition of the improvements at the end of the RUE. The consultants noted the following:

- Given the Caneel Bay resort's condition and operating constraints, it is likely that none of the potential options available to the NPS regarding the RUE would create near-term significant financial benefit to the NPS. This is because the resort experienced financial difficulties beginning in 1989 and was under bank ownership for approximately 15 years. During this period, capital reinvestment in the resort was limited and today significant deferred maintenance exists for the resort infrastructure. In addition, the resort has very high fixed operating costs, limiting profitability.
- There are three parcels of land owned by CBI in fee simple outside of the RUE that are important to the resort operations that complicate any resolution of these issues.
- The existing RUE does not provide adequate authorization for NPS oversight over maintenance and construction within the RUE.

After reviewing LIA's analysis, and after further conversations with CBI regarding its inability to obtain financing, the NPS reexamined its position regarding a lease. The NPS also determined that a sole-source lease to CBI would require legislation.

1. H.R. 1143 provides for a lease for a term not to exceed 40 years. Has the National Park Service conducted any analysis to determine what the appropriate length of the lease should be?

Answer: The NPS has conducted an initial analysis. However, the final determination of the term would occur as part of any negotiation, and in accordance with the language of the statute authorizing the lease.

2. It's my understanding that a concession contract may not exceed a term of 20 years. Have companies providing lodging services in national park system units under concession contracts been able to obtain financing for capital improvements?

Answer: Yes, concessioners have been able to obtain financing.

3. H.R. 1143 requires the Secretary of the Interior to require appraisals to determine the property's fair market value rent, as determined by appraisals. Given the unique nature and location of the Caneel Bay property, what do you expect to use as comparable properties?

Answer: We believe there are several similar properties in the Virgin Islands. The appraiser would be responsible for determining the comparables.

4. Section 2(b) of H.R. 1143 requires any lease to include "the property covered by the RUE and any associated property owned by CBI donated to the National Park Service." What associated property is CBI planning to donate to the Park Service? Does this paragraph cover different associated property than that described in paragraph 3(e), which requires the lease to take into account the value of any associated property transferred by CBI to the National Park Service?

Answer: We believe that the intent of the legislation is that the term "property covered by the RUE" includes the real property improvements constructed on the RUE, and that the term "associated property" which may be donated or otherwise conveyed to the NPS identifies the three parcels of real property currently held in fee simple ownership by CBI.

5. Section 3 of H.R. 1143 provides that "as a condition of the lease, CBI shall relinquish to the Secretary all rights under the RUE and transfer, without compensation, ownership of improvements covered by the RUE to the United States." Section 2(c) requires the lease to require payment to the United States of the property's fair market value rent, taking into account the value of any associated property transferred by CBI..."

a Does the National Park Service interpret these provisions to require that CBI will receive no compensation for any property or improvements covered by the RUE, but will receive compensation for any associated property conveyed to the National Park Service?

Answer: Yes.

b. Under the terms of the RUE, is CBI entitled to any compensation for any structures or improvements covered by the RUE?

Answer: No. The RUE and related documents provide that the improvements must be transferred without compensation by CBI to the NPS at the termination of the RUE.

6. Please provide a list of the specific properties owned by CBI that would be conveyed to the National Park Service as "associated property".

Answer: CBI owns in fee three parcels that are outside of the RUE:

- Parcel 5 comprises 1.01 acres. There are three houses on the site used for executive housing.
- Parcel 12 comprises 1.69 acres. There is an apartment building on the site with 24 units used for employee housing.
- Parcel 12D comprises 0.31 acres. There is a marina on the site used for ferry docking and maintenance, as well as fuel sales, and a support building.

7. Please provide a copy of the retained use estate referenced in H.R. 1143.

Answer: We will provide the document to the committee under separate cover.

8. If Caneel Bay operates under the lease authorized under H.R. 1143, will the resort grounds and beaches be limited to use by guests of the resort, or will they be available for use by park visitors in general? If the general public (other than resort guests) will not be allowed use of the Caneel Bay grounds and beaches, please explain how that restriction is in the public interest.

Answer: The NPS could negotiate public access as part of the lease terms.

9. Does the National Park Service allow any concession operators of hotels or lodging establishments at any other park to preclude public access (other than guests of the lodge) to large areas of public parkland?

Answer: We are not aware of any concessions with such restrictions.

c. Is it possible for a feasibility study of the proposed heritage area to be completed by a local entity and submitted to the Administration for approval thereby avoiding the need for legislation to authorize a study?

Answer: Yes. Many feasibility studies for potential National Heritage Areas are conducted by local groups and reviewed by the NPS against our interim evaluation criteria. If, after our review, we have concerns that the study does not fully address the required criteria for designation, we will offer advice to the local group on how to improve the study so that it yields the necessary information to allow Congress to make a determination on whether the heritage area meets the criteria for designation.

d. What advice or comments would you give to the Department of Agriculture regarding oversight of National Heritage Areas?

Answer: Based on our experience with the 37 heritage areas designated prior to this year, success of the heritage area is dependent on strong local support and the ability of the local coordinating entity to form partnerships and implement the management plan. The lead federal partner, in this case the Forest Service, can provide overall support to the local coordinating entity based on its technical expertise protecting and interpreting natural and cultural resources in the region. We recommend that the Chugach National Forest work closely with the heritage area to promote their shared missions of protection of resources on the Kenai Peninsula.

17. Cave and Karst Research Institute Amendment (S. 3096):

a. Since inception, the Cave and Karst Research Institute has been required to match Federal funds 1 to 1 with a nonfederal source. What is the total dollar amount they have obtained from nonfederal sources during that time?

Answer: Since Fiscal Year 2002, the Institute has received approximately \$5.3 million from the State of New Mexico, private donations, and in-kind contributions. This includes direct financial support and support for the construction of facilities.

b. What are the estimated annual funding needs for the Cave and Karst Research Institute without the nonfederal matching requirement?

Answer: At present, the Institute has an annual budget of \$860,000, which reflects federal and State funds. The State of New Mexico finances approximately 62% of the Institute's overall budget.

→ 18. Caneel Bay Resort Lease Agreement (H.R. 1143):

a. Does the National Park Service see any drawbacks to having the management and operation of Caneel Bay Resort converted to a long-term lease arrangement?

Answer: The NPS has reviewed the pros and cons of this option and several others, which we are happy to discuss with the committee privately due to the business-confidential nature of this review.

b. The proposed legislation establishes a long-term lease with a for-profit firm on a sole source basis. Should we be looking at amending the bill to authorize a long-term lease through a competitive process rather than a sole source arrangement? Would that cause any problems for the National Park Service?

Answer: If the proposed legislation is amended to require a competitive process, CBI may not agree to surrender or otherwise terminate the RUE, which will not expire by its terms until September 30, 2023.

c. How many buildings are part of the Caneel Bay Resort, when were they constructed, what is their condition, and what is the estimated cost to bring them up to standards for long-term use as a resort?

Answer: Caneel Bay was originally developed by Laurance Rockefeller and Jackson Hole Preserve as a Rock Resort beginning in 1956. The estate includes 92 buildings. The NPS has not conducted a condition assessment of the buildings. Such an assessment would be conducted as part of an appraisal.

d. Prior to supporting the legislation, what steps did the National Park Service take to determine the fair market value of the Caneel Bay Resort, approximate lease rate if the legislation is enacted and estimated income to the Federal government during a 40-year lease? If so, what were the findings?

Answer: The NPS has not yet undertaken an appraisal of the fair market value of the Caneel Bay resort. However, the report of our consultant, LIA, included estimated amounts, which are confidential. The estimated amounts were based on an analysis of similar resorts in the area. We would be happy to brief committee members on the report.

e. What are the benefits to the National Park Service of converting the current arrangement to a long-term lease?

Answer: There are several benefits to the NPS of a long-term lease:

- The existing RUE does not provide adequate authorization for NPS oversight over maintenance and construction within the RUE, but a long-term lease could be structured with specific provisions regarding the maintenance of the facilities and infrastructure.
- Under a long-term lease, the park would receive fair market value rent and could use those funds for other needs within the park.

- The existing RUE contains limited controls regarding expansion of the facility. Under a long-term lease, the NPS could place restrictions on the size of the facility and could control any expansion of the resort.
- The current RUE does not include three parcels of land (3.01 acres) that are important to the resort operation and are currently held in fee simple by the CBIA. A long-term lease could be drafted to ensure the conveyance of these three parcels, by donation or otherwise, to NPS.

In addition to benefitting NPS, a long-term lease could provide more certainty to the work force at the resort, and more stability to the economy of the U.S. Virgin Islands, than the RUE, which will expire in 2023.

f. Has the Rockefeller estate taken a position on the proposed lease arrangement and have they conveyed their position in written form that can be sent to us? If so, please provide a copy of the opinion with your response to this question.

Answer: Yes, the Executors of the Estate of Laurance S. Rockefeller and the Trustees of Jackson Hole Preserve, Inc. sent the Director of the NPS a letter dated June 14, 2007, providing their views on a proposed long-term lease. A copy of the letter is attached to these responses.

g. From whom did CBI purchase the retained use estate in 2003 and how much did they pay for it?

Answer: CBI purchased the RUE from Canoe! Bay, Inc., a company owned by Deutsche Bank, in 2004 for \$27 million. The purchase price also included the acquisition of the concession contract and concession operations at Cinnamon and Trunk Bays.

h. Was CBI aware of the retained use estate expiring in 2023 when they purchased the property and did they attempt to extend the expiration date as a condition of purchase?

Answer: Yes, they were aware of the term. Because the purchase was between two private parties, neither party had the authority to extend the RUE.

i. What is the estimated value of the retained use estate if purchased by the Federal government in 2008?

Answer: This information is business confidential. We would be happy to brief the committee members privately to provide further details.

j. Has the National Park Service proposed purchasing the remainder of the retained use estate followed by solicitations for a lease through a competitive process? If so, when did such discussion occur and what was the conclusion? If not, why not?

Answer: The NPS has not proposed purchasing the remainder of the RUE.

k. What is the estimated income to the Federal government if the proposed legislation is enacted and a 40-year lease is signed?

Answer: This information is business confidential. We would be happy to brief the committee members privately to provide further details.



United States Department of the Interior

OFFICE OF THE SECRETARY

Washington, D.C. 20240

June 27, 2008

Memorandum

To: Assistant Secretary, Fish and Wildlife and Parks

From: Attorney-Advisor
Office of Congressional and Legislative Affairs

Subject: Supplemental Questions from the hearing on several bills including: **S. 1774** and **H.R. 3022**, to designate the John Krebs Wilderness in the State of California, to add certain land to the Sequoia-Kings Canyon National Park Wilderness, and for other purposes; **S. 2255**, to amend the National Trails System Act to provide for studies of the Chisholm Trail and Great Western Trail to determine whether to add the trails to the National Trails System, and for other purposes; **S. 2359**, to establish the St. Augustine 450th Commemoration Commission, and for other purposes; **S. 2943**, to amend the national Trails system Act to designate the Pacific Northwest National Scenic Trail; **S. 3010**, to reauthorize the Route 66 Corridor Preservation program; **S. 3017**, to designate the Beaver Basin Wilderness at Pictured Rocks National lakeshore in the State of Michigan; **S. 3045**, to establish the Kenai Mountains-Turnagain Arm National Forest Heritage Area in the State of Alaska, and for other purposes; **S. 3096**, a bill to amend the National Cave and Karst Research Institute act of 1998 to authorize appropriations for the National Cave and Karst Research Institute; and **H.R. 1143**, to authorize the secretary of the Interior to lease certain lands in Virgin Islands National Park, and for other purposes.

Attached are questions submitted by the Chairman, Subcommittee on National Parks, Committee on Energy and Natural Resources, regarding the above hearing held on **June 17, 2008**.

Please coordinate responses to these questions with attorney, **Dominic Maione**, on 208-4092. A copy of the proposed responses submitted by the Bureau Directorate and your Assistant Secretary are due in this office by **Tuesday, July 8, 2008**.

The Legislative Counsel's office will clear the answers within the Department and OMB before transmitting to the Committee.

Dominic A. Maione

Attachment

cc:

✓FNP

OCL-Pat Richmond

OCL-Dominic Maione

OCL- Legislative History File

OCL-Galloway

Daniel K. Akaka
Chairman
Subcommittee on National Parks

Questions for the Record for Karen Taylor- Goodrich

Questions from Chairman Jeff Bingaman:

H.R. 1143 - Caneel Bay Lease in Virgin Islands National Park

1. H.R. 1143 provides for a lease for a term not to exceed 40 years. Has the National Park Service conducted any analysis to determine what the appropriate length of the lease should be?
2. It's my understanding that a concession contract may not exceed a term of 20 years. Have companies providing lodging services in national park system units under concession contracts been able to obtain financing for capital improvements?
3. H.R. 1143 requires the Secretary of the Interior to require appraisals to determine the property's fair market value rent, as determined by appraisals. Given the unique nature and location of the Caneel Bay property, what do you expect to use as comparable properties?
4. Section 2(b) of H.R. 1143 requires any lease to include "the property covered by the RUE and any associated property owned by CBI donated to the National Park Service." What associated property is CBI planning to donate to the Park Service? Does this paragraph cover different associated property than that described in paragraph 3(e), which requires the lease to take into account the value of any associated property transferred by CBI to the National Park Service?
5. Section 3 of H.R. 1143 provides that "as a condition of the lease, CBI shall relinquish to the Secretary all rights under the RUE and transfer, without compensation, ownership of improvements covered by the RUE to the United States." Section 2(c) requires the lease to require payment to the United States of the property's fair market value rent, taking into account the value of any associated property transferred by CBI..."
 - a. Does the National Park Service interpret these provisions to require that CBI will receive no compensation for any property or improvements covered by the RUE, but will receive compensation for any associated property conveyed to the National Park Service?
 - b. Under the terms of the RUE, is CBI entitled to any compensation for any structures or improvements covered by the RUE?
6. Please provide a list of the specific properties owned by CBI that would be conveyed to the National Park Service as "associated property".
7. Please provide a copy of the retained use estate referenced in H.R. 1143.

8. If Caneel Bay operates under the lease authorized under H.R. 1143, will the resort grounds and beaches be limited to use by guests of the resort, or will they be available for use by park visitors in general? If the general public (other than resort guests) will not be allowed use of the Caneel Bay grounds and beaches, please explain how that restriction is in the public interest.

9. Does the National Park Service allow any concession operators of hotels or lodging establishments at any other park to preclude public access (other than guests of the lodge) to large areas of public parkland?

Questions from Senator Richard Burr:

10. Sequoia-Kings Canyon Wilderness Designation (S. 1774):

a. Approximately how many property owners have in-holdings within the boundaries of the land designated as wilderness by S. 1774? Are property owners currently allowed to use motorized vehicles to access their property and will this change as a result of designation?

b. Has the existing general management plan for Sequoia-Kings Canyon treated the land as wilderness for management purposes or will this designation constitute a major change in land use?

c. What types of activities will be allowed in the proposed area that deviates from standard policy within wilderness areas?

11. Chisholm Trail and Great Western Trail Study (S. 2255):

a. What is the length of each trail and how many states are involved?

b. Will each private property owner with land containing portions of the trail be notified of the study and given an opportunity to provide comments?

c. Is this envisioned as a historic trail for designation on a map or will it be a trail that can be used for recreation in the form of hiking, bicycling, or horseback riding?

12. St. Augustine Commemoration Commission (S. 2359):

a. What is the typical role of the Secretary of the Interior and the National Park Service in a commemoration commission and does S. 2359 establish any new role?

b. S. 2359 gives the commemoration commission the authority to award grants up to \$10,000 for projects associated with the 450th anniversary of St. Augustine. Do other commissions have grant authority and is this any different?

c. Does the National Park Service have any units in St. Augustine, FL, that are planning activities associated with the 450th anniversary?

d. Does the bill give the Secretary of the Interior sufficient discretion to choose commission members that represent a diversity of the culture of Florida and St. Augustine?

13. Pacific Northwest National Scenic Trail Designation (S. 2943):

- a. What role does the National Park Service currently have in managing, interpreting, and maintaining the Pacific Northwest Trail?
 - b. Through which National Parks does the Pacific Northwest Trail traverse and is the trail an integral part of the history and culture of the area?
14. Route 66 Corridor Reauthorization (S. 3010):
- a. When was the Route 66 Corridor Preservation Program established and how much funding has it received since inception?
 - b. What is the goal of the Route 66 Corridor Preservation Program and what is its highest priority project?
15. Beaver Basin Wilderness Designation at Picture Rocks National Lakeshore (S. 3017):
- a. How many private land owners have in-holdings within the area designated as wilderness by S. 3017?
 - b. S. 3017 allows for continued use of electric motors to power boats within the wilderness area. How unusual is it to allow motorized transportation within a wilderness area and is this a compatible use within Beaver Basin?
 - c. Does S. 3017 affect any existing activities within Beaver Basin and how will the General Management Plan for Picture Rocks National Lakeshore be changed as a result of the designation?
16. Kenai Mountains National Heritage Area (S. 3045):
- a. Has there been any previous attempt to place a National Heritage Area under the jurisdiction of anyone other than the Secretary of the Interior? If so, how did that work and who does that national heritage area currently report to?
 - b. Of the 40 National Heritage Areas that currently exist, how many of those contain National Forest Service land within their boundaries? Has the association with National Forest Service land created any unique challenges?
 - c. Is it possible for a feasibility study of the proposed heritage area to be completed by a local entity and submitted to the Administration for approval thereby avoiding the need for legislation to authorize a study?
 - d. What advice or comments would you give to the Department of Agriculture regarding oversight of National Heritage Areas?
17. Cave and Karst Research Institute Amendment (S. 3096):
- a. Since inception, the Cave and Karst Research Institute has been required to match Federal funds 1 to 1 with a nonfederal source. What is the total dollar amount they have obtained from nonfederal sources during that time?
 - b. What is the estimated annual funding needs for the Cave and Karst Research Institute without the nonfederal matching requirement?
18. Caneel Bay Resort Lease Agreement (H.R. 1143):

- a. Does the National Park Service see any drawbacks to having the management and operation of Caneel Bay Resort converted to a long-term lease arrangement?
- b. The proposed legislation establishes a long-term lease with a for-profit firm on a sole source basis. Should we be looking at amending the bill to authorize a long-term lease through a competitive process rather than a sole source arrangement? Would that cause any problems for the National Park Service?
- c. How many buildings are part of the Caneel Bay Resort, when were they constructed, what is their condition, and what is the estimated cost to bring them up to standards for long-term use as a resort?
- d. Prior to supporting the legislation, what steps did the National Park Service take to determine the fair market value of the Caneel Bay Resort, approximate lease rate if the legislation is enacted and estimated income to the Federal government during a 40-year lease? If so, what were the findings?
- e. What are the benefits to the National Park Service of converting the current arrangement to a long-term lease?
- f. Has the Rockefeller estate taken a position on the proposed lease arrangement and have they conveyed their position in written form that can be sent to us? If so, please provide a copy of the opinion with your response to this question.
- g. From whom did CBI purchase the retained use estate in 2003 and how much did they pay for it?
- h. Was CBI aware of the retained use estate expiring in 2023 when they purchased the property and did they attempt to extend the expiration date as a condition of purchase?
- i. What is the estimated value of the retained use estate if purchased by the Federal government in 2008?
- j. Has the National Park Service proposed purchasing the remainder of the retained use estate followed by solicitations for a lease through a competitive process? If so, when did such discussion occur and what was the conclusion? If not, why not?
- k. What is the estimated income to the Federal government if the proposed legislation is enacted and a 40-year lease is signed?

**STATEMENT OF KAREN TAYLOR-GOODRICH, ASSOCIATE DIRECTOR, VISITOR
AND RESOURCE PROTECTION, NATIONAL PARK SERVICE, U.S. DEPARTMENT
OF THE INTERIOR, BEFORE THE SUBCOMMITTEE ON NATIONAL PARKS OF
THE SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES
CONCERNING H.R. 1143, A BILL TO AUTHORIZE THE SECRETARY OF THE
INTERIOR TO LEASE CERTAIN LANDS IN VIRGIN ISLANDS NATIONAL PARK,
AND FOR OTHER PURPOSES.**

JUNE 17, 2008

Mr. Chairman, thank you for the opportunity to provide the Department of the Interior's views on H.R. 1143, a bill to authorize the Secretary of the Interior to lease certain lands in Virgin Islands National Park, and for other purposes.

The Department previously testified in support of the intent of H.R. 1143 before the House Subcommittee on National Parks, Forests and Public Lands, on October 30, 2007. After that hearing, H.R. 1143 was amended, addressing several of the concerns that the Department raised. The Department supports the general intent of H.R. 1143 and what it seeks to accomplish. However, we would like the opportunity to work with the Subcommittee to clarify some additional terms and conditions of the lease.

H.R. 1143 would allow the Secretary of the Interior to enter into a lease with the current holder of a retained use estate at Virgin Islands National Park for the Caneel Bay property, which is currently operated as a luxury resort, after the termination of the retained use estate and donation of all improvements to the National Park Service (NPS).

Without H.R. 1143 the NPS does not have authority to enter into a lease, in accordance with 36 CFR §18, Leasing of Properties in Park Areas, without issuing a Request for Bids or a

Request for Proposals. A noncompetitive lease could only be issued under two circumstances – by issuing the lease to a nonprofit organization or unit of government, or by entering into a short-term, 60-day or less lease, neither of which would apply in this case.

Caneel Bay Resort is one of two large resorts on the island of St. John. The resort is located on a 150-acre peninsula on the northwest side of the island of St. John and caters to an upscale clientele that stays an average of 6 nights and 7 days. The resort has approximately 425 to 450 employees and serves as one of the primary economic engines for the U.S. Virgin Islands. A large number of employees travel daily to St. John from their residences on neighboring St. Thomas. The resort is also an Economic Development Center beneficiary and, as such, receives various tax exemptions from the Government of the Virgin Islands.

The resort was established in 1956 by Laurance S. Rockefeller and the Jackson Hole Preserve. In 1983, Jackson Hole Preserve donated the land at Caneel Bay to the United States Government for inclusion within Virgin Islands National Park and reserved the right to continue its operations under a retained use estate. Jackson Hole Preserve did not convey the improvements on the land to the United States at that time. The reserved use estate is scheduled to expire on September 30, 2023. The warranty deed stipulates that when the retained use estate terminates, the owner of the retained use estate must donate the buildings and other improvements to the NPS.

Enactment of H.R. 1143 would allow the current holder of the retained use estate to negotiate a long-term lease with the NPS that could extend the Caneel Bay Resort operation well beyond the year 2023. Such an extension could allow the leaseholder to secure financing and undertake

7

other long-term operational measures that might not be possible under the provisions of the current retained use estate.

The NPS has evaluated various options for the future use and management of the Caneel Bay property. Based upon a value analysis, we believe that the continued future operation of Caneel Bay as a resort under a lease would provide the greatest advantage to the NPS and the U.S. Virgin Islands. A lease could provide economic and administrative benefits to the NPS and the lessee that are not available or not as viable as under a retained use estate or a concession contract, two of the other options that were examined.

H.R. 1143 was amended by the House and requires that the operations and maintenance of the resort be conducted in a manner consistent with the preservation and conservation of the resources and values of the park. Additionally, the lease proposed by the bill would address the continued protection, preservation, and restoration of the property's structures, many of which are more than 50 years old, and may be National Register eligible. Any work conducted on the structures would have to be conducted in accordance with the Secretary of the Interior's Standards for the Treatment of Historic Properties. The lease also would address the fair market value rent of the property, constraints on development of property during the term of the lease, and the ability to transfer the lease in the future.

When the current retained use estate was created there were three small properties that are integral to the operation of the Caneel Bay resort that were not included. We would like to include these properties under the terms of the lease. Finally, H.R. 1143 may need to be

amended to clarify the intent of the bill regarding when the current retained use estate would expire and when the new lease would begin, the terms and conditions of the lease, and whether or how often the property's fair market value rent would be re-assessed. We will be happy to work with the Subcommittee to develop these amendments.

Mr. Chairman, this concludes my prepared remarks. I would be pleased to answer any questions you or other members of the Subcommittee may have.

H.R. 1143 (Senate)
Virgin Islands National Park Lease

Delegate Donna Christensen (D-VI) introduced H.R. 1143 on February 16, 2007. There are no co-sponsors.

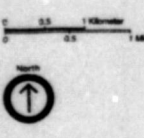
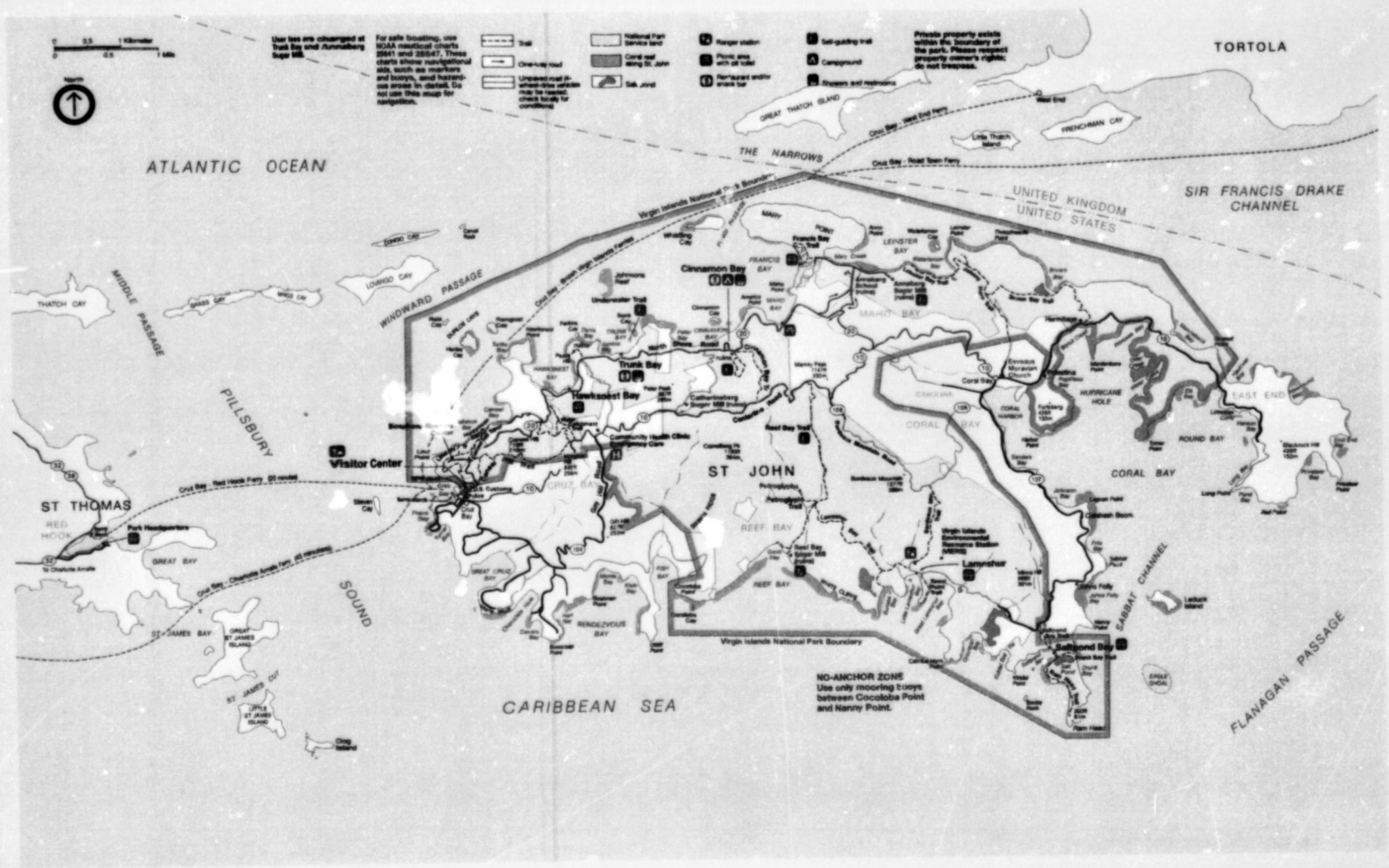
The bill would allow the Secretary to enter into a lease with the current holder of a retained use estate at Virgin Islands National Park for the Caneel Bay property, which is currently operated as a luxury resort, after the termination of the existing retained use estate and donation of all improvements to the NPS.

The resort was established in 1956 by Laurance S. Rockefeller and the Jackson Hole Preserve. In 1983, Jackson Hole Preserve donated the land at Caneel Bay to the United States Government for inclusion within Virgin Islands National Park and reserved the right to continue its operations under a retained use estate. Jackson Hole Preserve did not convey the improvements on the land to the United States at that time. The reserved use estate is scheduled to expire on September 30, 2023. The warranty deed stipulates that when the retained use estate terminates, the owner of the retained use estate must donate the buildings and other improvements to the NPS.

Enactment of H.R. 1143 would allow the holder of the retained use estate to negotiate a long term lease with the NPS that could extend the Caneel Bay Resort operation beyond the year 2023. A lease could provide economic and administrative benefits to the NPS that are not available or not as viable as under a retained use estate or a concession contract, two other options.

The Department testified on H.R. 1143 on October 30, 2007, before the House Subcommittee on National Parks, Forests and Public Lands. In the Department's original testimony we asked for clarification in several portions of the bill. When the bill was marked up and amended, it was rewritten, addressing many of our clarification questions.

This testimony is in large part carry-over testimony from the House hearing.



User fees are charged at
Trunk Bay and Jolly Roger
Bay.

For safe boating, use
NOAA nautical charts
25541 and 25547. These
charts show navigational
aids, such as buoys and
beacons, and hazards
such as rocks. Do
not use this map for
navigation.

Trail
One-way road
Unimproved road or
path (may be closed
at any time)

National Park
Service land
Coral reef along St. John
Island

Ranger station
Picnic area with all toilet
facilities
Horticultural and
other uses

Self-guiding trail
Campground
Shower and restrooms

Private property exists
within the boundary of
the park. Please respect
property owner's rights.
Do not trespass.

NO-ANCHOR ZONE
Use only mooring buoys
between Cinnamon Point
and Nanny Point.

THE FUTURE OF CANEEL BAY RESORT

Background

Caneel Bay Resort was established in 1956 by Laurance S. Rockefeller and Jackson Hole Preserve. In 1983, Jackson Hole Preserve donated approximately 150 acres of land at Caneel Bay to the United States Government for inclusion within Virgin Islands National Park. The hotel operation was permitted to continue under a "Retained Use Estate" which is scheduled to terminate no later than September 30, 2023. The Warranty Deed presently stipulates that when the Retained Use Estate terminates, the owner of the Retained Use Estate will be required to convey the buildings and other improvements to the National Park Service (NPS).

Caneel Bay has been established as a "Rockresort" and caters to an upscale clientele that stay an average of 6 nights and 7 days. The resort has a high repeat clientele. The amenities and services available at Caneel includes, 166 guest rooms, 3 restaurants, 1 beach bar, 11 tennis courts, one pool, 7 beaches, a fitness center, and a self centre offering yoga, pilates, and 4 massage therapy rooms. In addition to these services, Caneel Bay also offers a variety of watersports equipment and activities for their guests' use and enjoyment, ranging from sailing to snorkeling.

The hotel consists of all single rooms, with small seating areas as well as a balcony or patio for each room. There are no televisions or telephones in the rooms. Air conditioning was recently added to all units. During the peak winter season, rates range from \$450 upwards to \$1,350 per night per room. Summer rates span from \$350 to \$875 per room per night based on double occupancy. Rates do not include meals, but does include the use of non-motorized watersports equipment e. g. kayaks, windsurfing boards, floats, snorkel gear, and sunfish boats.

The resort employs approximately 425 to 450 employees and serves as one of the primary economic engines for the island of St. John and employs a large number of employees from St. Thomas. The resort also has a unionized workforce covering the wait staff, grounds and maintenance, as well as the housekeeping staff. Caneel Bay currently is an Economic Development Center (EDC) beneficiary and receives various tax exemptions from the V.I. Government. It is one of two resorts on the island of St. John.

Options for the future use and management of Caneel Bay Resort

Option I: Continued private operation of Caneel Bay through an extended retained use estate.

Caneel Bay would continue to operate independently and be eligible for any tax incentive benefits from the V.I. government. Its significant contributions to the economy of St. John and the Virgin Islands as a whole would remain in tact. Caneel's relationship with

the Park would continue; it would also continue to maintain the premises in a manner consistent with NPS conservation and preservation values. The resort plays an important role in the St. John community and partners with several local and government agencies to effect positive change. However, the NPS would receive very little economic benefit as owner of the property.

Option II: Operation of Caneel Bay under a Category I Concessions Contract.

The NPS would maintain operational oversight and ensure contract compliance and financial accountability. The possibility exists that Caneel would not be eligible for EDC benefits as a concessionaire, making it less lucrative to operate. As a concessions operation, the Park would benefit from the collection of a significant amount of franchise fees. It is important to note that if Caneel is operated under a concessions contract, the Park will be burdened with the payout of possessory interest at the closure of the contract, which could possibly amount to millions of dollars. Under this option the Park Service concessions staffing levels would have to be increased to oversee an operation of such magnitude and complexity. Concessions contracts are generally limited to periods of 10 years, which may not give the operator reasonable time to make a return on their capital investments. Concessions contracts are competitively awarded and current owners may not necessarily be awarded the contract. The NPS will also have to conduct a Feasibility Study to determine the economic sustainability/viability of such a venture.

Option III: Operation of Caneel Bay under a Historic Property Lease.

The NPS would lease the property through a cooperative agreement ensuring the continued preservation of the property. The leasee would pay the NPS fair market value for the lease taking into consideration the necessary adjustments for the leasee's investments. The NPS would not provide any operational oversight of the operation. The buildings and structures contained therein would be maintained, repaired, or constructed by the leasee, in accordance with NPS standards, policies and guidelines. Historic leases are also competitively offered.

The Historic Leasing option, if applicable, would provide the following to NPS:

- The Park would receive fair market value for this lease with minimal impacts to Park operations and concessions staffing.
- The operations, grounds, buildings etc. would be kept in a manner that is consistent with NPS conservation and preservation values.
- The operator would be entitled to receive tax incentive packages.
- The leasing option does not have to withstand the scrutiny of a resort being considered a "necessary and appropriate" concessions contract.

- The Park will not be liable for a multi-million dollar payout in possessory interest once a concessions contract is terminated.
- The precedent for extension of the existing Retained Use Estate would not be established.
- Lease and cooperative agreements may extend up to 50 years.

Finally, it is recommended that the NPS enter into a contract with a consulting firm that will fully analyze the various options available for the future operation of Caneel Bay. If not, then perhaps a team of NPS subject-matter experts be assembled to analyze and study the future use of the resort. Moreover, at some point the DOI's Solicitor's Office should be contacted for the purpose of rendering a legal opinion to ensure that the options would be consistent with the terms and conditions of the warranty deed.

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Concessions Paul or Elba

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US DEPT OF THE INTERIOR
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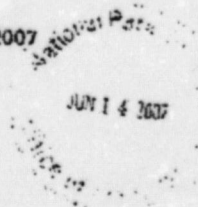
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30 ROCKEFELLER PLAZA
NEW YORK, NY 10112

Room 3112

(212) 648 1782

June 14, 2007



The Honorable Mary A. Bemer
Director
National Park Service
U.S. Department of the Interior
1849 C Street, N.W.
Room 3112
Washington, D.C. 20240

Dear Madam Director:

This letter is to express the views of the Executors of the Estate of Laurance S. Rockefeller and the Trustees of Jackson Hole Preserve Inc. ("JHPI") on the long-term future of Candel Bay within the Virgin Islands National Park. As you are probably aware, the Virgin Islands National Park was created through gifts of land to the United States by Laurance S. Rockefeller through JHPI. Laurance S. Rockefeller was the long-time Chairman and President of JHPI, and I succeeded him in those posts. I am also one of the Executors of his Estate.

We understand that this issue is under active consideration in response to the request of the current owner of the Retained Use Estate ("the RUE") to extend that right or replace it with another right of occupancy with a longer term. We are aware that legislation has been introduced to provide the National Park Service authority to enter into a lease with the current owners of the RUE.

During his lifetime, Laurance made it clear that his intention for the long-term was that Candel Bay be part of the Virgin Islands National Park. He expressed this in a number of documents and comments. In 1988, he wrote then Director William Mott and expressed the view that the RUE should not be extended:

... in order to carry out the long-standing objective of (Jackson Hole Preserve) that the premises ultimately be an integral part of the Virgin Islands National Park under the jurisdiction of the Secretary of Interior for the use and enjoyment by visitors of the Park ...

Laurance did not express an opinion on what specific use should be made of the property as part of the Park. He generally believed that this should be left up to the management of the NPS when the time for a decision came. However, from his approach and actions in comparable situations we are convinced he would advocate a plan that minimized further impact on the land and eventual public use.

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The Honorable Mary A. Bomar

June 14, 2007
Page 2

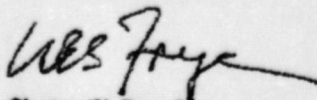
We are aware that a number of proposals have been put forward over the years but that the NPS has not reached a decision. We are also aware that the current owners of the RUE now emphasize that they must have a longer term of occupancy to obtain financing for necessary improvements. Further, we are aware that the employment offered by Caneel is a significant contributor to the economy of the Virgin Islands.

In light of these factors, we felt it important to let the NPS know that we do not necessarily oppose any extension of the term of occupancy and therefore do not oppose the legislation which would provide the NPS with leasing authority. We would urge, however, that any extension whether by RUE or lease be accompanied by careful limitations to preserve the very special nature of Caneel which Laurance created. We suggest:

1. That the character of Caneel as presently configured should not be altered. There should be no expansion to the number of guest accommodations. Additional development should be limited to providing support facilities for existing improvements. Any changes must be subject to prior National Park Service approval.
2. That there be a prohibition against sale of partial ownerships or timeshares.
3. That the term of any extension be as short as financially feasible to allow financing for essential improvements.
4. That there be operation and maintenance requirements to maintain the high standards of Caneel.
5. That there be a requirement for NPS approval of any transfer of ownership or control of the property interest.
6. That there be adequate compensation to the NPS for the substantial additional value an extension would create and that the compensation be available for use within the Park itself.

Clearly this is a decision to be made by the NPS, but we believe that this approach could provide a practical solution in light of current circumstances without compromising the long-term possibility of Caneel becoming a part of the Park as Laurance wished and expected.

Sincerely,


Clayton W. Frye, Jr.

cc: Henry L. Diamond, Esq.
By Facsimile with Hard Copy to Follow

DRAFT - Controlled Correspondence #07 - 038
Due Date - July 16, 2007

A3815

July 12, 2007

Mr. Clayton W. Frye, Jr.
Jackson Hole Preserve, Inc.
30 Rockefeller Plaza
New York, NY 10112

Dear Mr. Frye:

Thank you for your letter regarding the long-term future of Caneel Bay within Virgin Islands National Park. The National Park Service is committed to carrying out the wishes of Laurance S. Rockefeller, and the concerns of the Executors of his Estate and the Trustees of Jackson Hole Preserve, Inc. are very important to us.

The National Park Service has been considering alternatives for the future of Caneel Bay, Inc. (CBI). We are aware that closing CBI would be a locally unpopular and economically depressing action for the island of St. John. We agree with the suggestions that you offered in your letter, and we will take them into consideration as we move forward with this process.

No final determination has been made regarding the future of the Retained Use Estate. As you are aware, there is Congressional legislation pending that would authorize the current management company to continue operating the resort as a lease arrangement with the National Park Service. If the legislation is passed and a lease agreement is determined to be the best management option for the National Park Service, all of the limitations addressed in your letter will be given high priority in developing the lease conditions.

Please be assured that a future lease, if it transpires, would ensure maintenance of the resort's existing character and would provide the National Park Service with greater control and oversight to protect and preserve the natural and cultural resources contained within the properties occupied by CBI, in accordance with the wishes of Laurance S. Rockefeller.

Again, thank you for your letter and for your continued support of the National Park Service.

Sincerely,

Mary A. Bomar
Director



» [BACK TO PRESS ROOM](#)

MEDIA KIT

Resort Fact Sheet

Location

- St. John, United States Virgin Islands
- Guests visiting Caneel Bay, A Rosewood Resort fly into Cyril E. King Airport in St. Thomas (STT) accessed by American Airlines, US Airways, Delta Airlines, Continental Airlines, United Airlines and select regional carriers.
- 4 miles (35 minute ferry ride) from Charlotte Amalie or 1 mile (15 minute ferry ride) from Red Hook
- Resort provides St. Thomas airport reception and check-in followed by a short land transfer to Caneel Bay's private boat service to St. John.
- Caneel Bay also offers regular boat service to its sister resort, Little Dix Bay, A Rosewood Resort on Virgin Gorda, British Virgin Islands. The scenic, 90-minute trip eastward through the Sir Francis Drake Channel features breathtaking views of emerald islands and turquoise waters. Among the highlights are vistas of Tortola, Norman and Peter Islands, Cooper and Ginger Islands, Beef Island and Scrub Island.
- Proof of citizenship is required to travel from the United States to the British Virgin Islands.

Resort Concept/Philosophy

Set on its own peninsula and surrounded by the Atlantic Ocean and Caribbean Sea, Caneel Bay offers seven separate beaches on a 170-acre peninsula and is located in the heart of the 5,000-acre Virgin Islands National Park.

Managed by Rosewood Hotels & Resorts, Caneel Bay ensures the Rosewood signature commitment to excellence which entails unparalleled attention to detail, devotion to style and understated elegance and exceptional personalized service.

Resort History

Laurance S. Rockefeller "discovered" Caneel Bay in 1952 while sailing in the Caribbean. The total population of the island was only 400, and 85 percent of the island's topography was jungle. He foresaw the perfect vacation spot amid this unspoiled land and purchased the Caneel Bay Plantation.

In 1955, he began developing an infrastructure on the island to provide the resort with power, fresh water and roads. He oversaw every detail of the development. He donated the property to Jackson Hole Preserve, a non-profit, conservation-minded foundation supported by the Rockefeller family. The preserve later purchased 5,000 more acres surrounding Caneel Bay and donated the land to the federal government, thus paving the way for the creation of the U.S.V.I. National Park.

In 1993, Caneel Bay became a Rosewood Resort.

Beaches

Circling the peninsula, Caneel Bay features seven secluded beaches: Honeymoon Beach, Caneel Beach, Little Caneel Beach, Paradise Beach, Scott Beach, Turtle Bay Beach and Hawksnest Beach.

Each of the beaches is defined by its own unique personality. Honeymoon is the only "uninhabited" beach, free of accommodation. Caneel and Little Caneel are popular with families due to their gentle waters and abundant water sports activities. Paradise and Scott are known as the "peace and quiet" beaches and are famed for their glorious sunsets. Turtle Bay is an intimate cove with gentle breezes and picturesque island vistas. Finally, Hawksnest is known as the "wild beach" and is preferred by those seeking a golden sunrise and the lull of gentle surf.

Guest Rooms

- 166 airy, spacious guest rooms feature air-conditioning with digital in-room climate control, louvered walls, open-picture windows and ceiling fans to allow guests to take in St. John's plentiful trade winds.
- Casually elegant interiors are decorated with hand-crafted furniture, richly woven fabrics, plush reading chairs, commissioned artwork and tiled bathrooms.
- All rooms feature either a patio or balcony and offer breathtaking views of the pristine white beaches or lush tropical gardens.
- All guest rooms include sitting area, fully stocked refrigerator/mini-bar, safe, bathrobes and slippers, iron and ironing board, hairdryer and umbrella. There are no telephones or televisions in the individual guest rooms.
- Once the island home of the Rockefeller family, the famous 'Cottage 7' has housed celebrities and political figures, who enjoy its secluded location and its five individually designed rooms, some featuring Dutch-style, four-poster beds.

Resort Dining

CANEEL BEACH TERRACE Caneel Beach Terrace is located directly adjacent to the reception/lobby area. The dining room, which features an open-line kitchen with wood-burning oven and rotisserie, overlooks Caneel Beach. Popular for its sumptuous breakfast and lunch buffet, Caneel Beach Terrace is home to the resort's renowned Monday night grand buffet. All meals feature the finest cuisine prepared with health and fitness in mind.

CANEEL BEACH GRILL The Caneel Beach Grill serves all-day favorites ranging from salads to burgers to meatloaf sandwiches, with a nod to relaxing flavors of 1950s home-cooking.

BREEZEWAY BAR With a view of Caneel Bay Beach, the Breezeway Bar serves refreshing cocktails throughout the day and provides a lovely vantage point for watching the arrival of boats to Caneel's dock or for enjoying views of the sun setting behind St. Thomas as evening approaches.

EQUATOR Set high atop the resort's 18th-century sugar mill ruins, overlooking Caneel Bay with St. Thomas on the horizon, Equator features fresh seafood and grilled meats prepared with Caribbean-Asian flair. The open-air, lofty restaurant is prized for its evening breezes and spectacular sunsets. More intimate dining can be experienced in the adjacent sugar mill ruins. "Dinner in the Ruins" features romantic tiki-torch and candlelight dining amid the historic stone walls and the expansive starlit skies.

SUNSET TERRACE The open-air Sunset Terrace is perched above the Caneel Bay Bar and overlooks the water sport activity on Caneel Bay Beach. This exceptional vista serves as the perfect spot to enjoy a refreshing cocktail or a light snack.

TURTLE BAY ESTATE HOUSE Perched high on a panoramic peninsula, the Turtle Bay Estate House offers an inspired menu of contemporary American cuisine served within the walls of an 18th-century plantation house. Breakfast and lunch buffets are also served in high season at Turtle Bay. The restaurant's verandah, surrounded by shade trees and Caribbean hardwood furniture, is the perfect setting for afternoon tea or evening cocktails.

THE WINE ROOM The Wine Room, located within the Turtle Bay Estate House seats up to 10 for private dinners. A prix-fixe, seven-course menu, carefully selected to highlight selections from Caneel's wine collection, is offered. The wine list is comprised of 265 selections to complement wine tastings and pairing dinners. The Caribbean's only fully operational, temperature-controlled wine room boasts over 1,000 bottles of wine. Weekly wine tasting is offered on a complimentary basis to preview the resort's latest selections.

Exclusive Services

THE SELF CENTRE Located atop a quiet bluff offering breathtaking views of the Sir Francis Drake Channel, the Self Centre offers an array of mind and body approaches for stress relief, relaxation, rejuvenation and a renewed sense of self. The Self Centre, which includes something for every guest including yoga, meditation and Ayurveda, is run by creator and director Jan Kinder, a registered nurse and educator for Deepak Chopra.

CHILDREN'S PROGRAM Caneel Bay offers an extensive children's program for young guests, with the focus on making learning fun. The resort's "Turtle Town" is the hub of children's activities, including: nature walks, arts and crafts, magic shows, pirate treasure hunts, a playground fish hunt and much more. All activities take place under the guidance of caring, knowledgeable and fully trained supervisors. Parents may join their children for some or all of the activities at Turtle Town if they desire.

BABYSITTING SERVICES The resort offers a nanny service available during the day and evening hours with 24-hour notice requested. Nannies are carefully screened by qualified childcare professionals.

Leisure Activities

NATURE WALKS Choose from Caneel Bay's own nature trails or moderate to advanced trails in the national park system. Hiking affords

close-up views of more than 500 species of plant life. The resort's 170 acres are criss-crossed with well maintained paths for hikers, joggers and strollers. Caneel Bay resident horticulturist, Oriel Smith, conducts nature tours of the gardens.

SIGHTSEEING The 5,000-acre Virgin Islands National Park surrounds the resort with spectacular views across the sea to other islands. Quaint shops and restaurants can be found in the nearby town of Cruz Bay. Excursions to St. Thomas, or to Little Dix Bay on Virgin Gorda, and other destinations can be easily arranged. The resort's kitchens can prepare picnic lunches. Historic Annaberg Plantation's restored sugar mill ruins offer a fascinating insight into the history of the region.

Sports & Recreational Facilities

WATER SPORTS

Swim or snorkel from a choice of seven pristine, powder-white beaches
Complimentary Sunfish sailing, sea kayaks, windsurfing and snorkeling equipment
Private snorkeling outings led by Caneel Bay's resident "Snorkologist"
One and two tank Scuba day and night dives, with complimentary introduction class
Beautifully landscaped, freshwater swimming pool features floral "fencing"
Private boat charters and deep sea-fishing trips
Full and half day sailing excursions
Sunset cocktail and beach BBQ cruises
Nearby underwater snorkeling trail at renowned Trunk Bay, a short drive from the resort

GOLF

Opened in 1980 and designed by George & Tom Fazio, Golf Digest proclaimed Mahogany Run, "an engineering marvel being carved and blasted into an area of land just less than 110 acres." With 77,000 square feet of greens and tight, winding fairways, this is target golf with beautiful views culminating in the signature holes 13, 14 and 1, known as the Devil's Triangle. Mahogany Run is located in St. Thomas, a short water and land transfer from the resort.

FITNESS CENTER

Open 24 hours, the cardiovascular training equipment includes:

3 Precor C956 Treadmills
2 Lifestep Stairclimbers
2 Tectrix Stationary Bicycles
2 Precor Recumbent Bicycles
1 Precor EFX Elliptical Trainer
1 Cybex Modular Strength Station: press/lat pull-down
1 Cybex Modular Strength Station: leg extension/leg curl/cable column
Free Weights: 1-50 pounds
Exercise Mats, Fitness Balls, and Flat Bench/Incline Bench

TENNIS

Elegant, terraced Tennis Park with 11 all-weather, outdoor tennis courts
Courts under the direction of Peter Burwash International
Complimentary clinics and weekly round-robin tournaments
Private, semi-private and group lessons available
Outstanding Pro Shop offering the latest apparel and accessories

Additional Amenities

Half-hour, one-hour and couple's massage
Watercolor painting classes with Caneel Bay's resident artist, Kat Sowa
Hot Type program
Caneel "sugarworks" stroll
Jeep rentals for island sight-seeing
Nightly movie presentations at the Turtle Bay Estate House
Manager's weekly cocktail party
Gift shop/clothing boutique with a wide selection of apparel, souvenirs, magazines and select essentials

Business Center

Computers (with high-speed Internet access), phone and fax machine
Cellular phones are available to guests at no extra charge
Wireless Internet access available in select locations throughout the resort's grounds

Operator: Rosewood Hotels & Resorts
Staff: 450 employees

Opened:
Caneel Bay originally opened in March 1955
Opened 1993 as A Rosewood Resort
Re-opened November 1996 after extensive refurbishments

CONTACT INFORMATION

Caneel Bay, A Rosewood Resort
P.O. Box 720, St. John, V.I., USA 00831
T 340.776.6111
F 340.693.8280
caneel@rosewoodhotels.com



- » TRANSPORTATION
- » CURRENCY
- » IMMIGRATION & CUSTOMS
- » ATTRACTIONS
- » HISTORY
- » RESORT MAP (PDF)
- » FERRY SCHEDULE



CURRENT TIME: 4:29 PM
CURRENT TEMPERATURE: 79°F

Situated on a 170-acre peninsula surrounded by the beauty of the Virgin Island National Park and seven pristine beaches, Caneel Bay is on St. John in the U.S. Virgin Islands. With 3/5 of the island preserved under the national park system, the island remains the least commercial and low key of the three USVI islands. This tiny island is only accessible by boat or ferry. Its beaches are considered to be some of the best in the world, white sandy beaches shaded by seagrape trees and coconut palms.

NOTE:

No passport is required for U.S. citizens traveling to the U.S.V.I. An original copy of one's birth certificate with photo I.D. may be presented for entry.



PROPERTY HOME
RESORT OVERVIEW
RESERVATIONS
PHOTO GALLERY
GUEST ROOMS
RATES & PACKAGES
SERVICES & ACTIVITIES
DINING
MEETINGS & WEDDINGS
TRAVEL DETAILS
PRESS ROOM

CHILDREN
THE SELF CENTRE
JOIN OUR EMAIL LIST
ROSEWOOD HOTELS & RESORTS

[CONTACT US](#)

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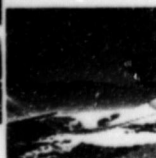
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ST. JOHN, U.S. VIRGIN ISLANDS

PROPERTY HOME

RESORT OVERVIEW

RESERVATIONS

PHOTO GALLERY

GUEST ROOMS

RATES & PACKAGES

SERVICES & ACTIVITIES

DINING

MEETINGS & WEDDINGS

TRAVEL DETAILS

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caneel@rosewoodhotels.com

Caneel Bay invites you to 'disconnect' in pristine natural surroundings and low-key luxury. The exclusive resort, nestled within the Virgin Islands National Park on St. John, remains faithful to the vision of founder Laurance Rockefeller and his reverence for the environment. Seven secluded white sand beaches border 170 lush acres where Caneel's accommodations have been artfully built to blend into the landscape. A true escape, the resort remains purposefully absent of modern glitz, digital distractions and the furious pace of the world at home.

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Caneel Bay Retained Use Estate / Lease Proposed Questions

QUESTION 1) What is so special about Caneel Bay that would require us to use a lease instead of a concessions contract?

ANSWER: Caneel Bay is a special situation due to the existence of the Retained Use Estate. In 1983, Jackson Hole Preserve donated the land at Caneel Bay to the United States Government for inclusion within Virgin Islands National Park and reserved the right to continue its operations under a retained use estate (RUE). Jackson Hole Preserve did not convey the improvements on the land to the United States at that time. The RUE is scheduled to expire on September 30, 2023.

The current operator, CBI Acquisition, holds the CUA through 2023 and cannot be required to convert to a concession contract nor a lease. CBIA initially approached the NPS requesting a 50-year extension of the existing RUE in 2005. They stated they needed additional time on the RUE in order to make needed improvements to the property and to remain profitable and competitive in the local hotel market. Initially, the NPS was opposed to the concept of extending the RUE, and opposed to legislation enabling a sole source lease. However, the current operator has stated they are not interested in a concession contract and after review of the indenture agreement revealed limited operational oversight and control over the size of the resort, as well as ambiguous language regarding how the improvements would transfer to the NPS at the end of the RUE, the NPS reconsidered its position.

QUESTION 2) The Caneel Bay property is being run as a private resort. However, it is parkland and it does not seem to be great Park Service policy that no requirements have been placed on the resort operator to allow the land to be accessed by the public. Can you explain why this is so?

ANSWER: Under the current RUE, the NPS does not have the opportunity to place these types of requirements on the operator. It is important to note, however, that the grounds are open to the public as is the restaurant and bar facilities.

QUESTION 3) Who made the determination that a concessions contract would not work for the operation at this site?

ANSWER: No final determination has been made that a concession contract would not work. After review of the RUE, and preliminary conversations with the holder of the RUE, the NPS concluded that a concession contract is not a viable solution at this time. The existence of a RUE provides the operator certain rights that allow them to operate under the agreement until 2023. In this regard, they cannot be forced to terminate the RUE and enter into a concession contract. Transitioning from a RUE to a lease has benefits currently unavailable to the park:

- fair market value rent
- maintenance standards
- restrictions on expanding the size of the resort
- ensure all property transfers to the Government at the end of the lease at no cost

An additional factor is that CBI currently owns three parcels of property necessary to the operation of the RUE in fee simple ownership, and CIB has indicated a willingness to sell these parcels to the United States as part of this transaction.

QUESTION 4) Why and how is the Caneel Bay site different than similar lodging facilities in other parks?

ANSWER: The site itself is not that different. The existence of the RUE gives the operators certain rights that make it different.

The resort has approximately 450 employees and serves as one of the primary economic engines for the U.S. Virgin Islands.

QUESTION 5) How are other concessioners with similar lodging facilities able to obtain financing for their operations and for upkeep of the properties by using concessions contracts and why can this concessioner not do the same?

ANSWER: It is our understanding that financing in the Virgin Islands is considered a higher risk than financing similar facilities in the United States, primarily due to the risk factors associated with extreme weather.

QUESTION 6) Can you name any similar lodging operations in other parks that are using a lease instead of a concessions contract and how are they similar or different than the Caneel Bay operations?

ANSWER: There are two similar lodging facilities operating under a lease. Both of these operations are located in the Pacific West Region: the Argonaut Hotel in the San Francisco Maritime National Historic Park, and at Fort Baker in the Golden Gate National Recreation Area. Both facilities were historic buildings that were considered excess to park needs, and to preserve and restore them, the parks entered into long-term leasing agreements.

110TH CONGRESS
2ND SESSION

H. R. 1143

IN THE SENATE OF THE UNITED STATES

MARCH 5, 2008

Received; read twice and referred to the Committee on Energy and Natural
Resources

AN ACT

To authorize the Secretary of the Interior to lease certain
lands in Virgin Islands National Park, and for other
purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. DEFINITIONS.**

2 In this Act, the following definitions apply:

3 (1) SECRETARY.—The term “Secretary” means
4 the Secretary of the Interior.

5 (2) RUE.—The term “RUE” means the re-
6 tained use estate entered into by the Jackson Hole
7 Preserve and the United States on September 30,
8 1983.

9 (3) PARK.—The term “park” means Virgin Is-
10 lands National Park.

11 (4) CBI.—The term “CBI” means CBI Acqui-
12 sitions, LLC.

13 (5) RESORT.—The term “Resort” means
14 Caneel Bay Resort on the island of St. John in Vir-
15 gin Islands National Park.

16 **SEC. 2. LEASE AGREEMENT.**

17 (a) AUTHORIZATION.—The Secretary may enter into
18 a lease agreement with CBI governing the use of property
19 for the continued management and operation of the Re-
20 sort.

21 (b) ADDITIONAL LANDS.—Any lease entered into
22 pursuant to this Act shall include the property covered by
23 the RUE and any associated property owned by CBI do-
24 nated to the National Park Service.

25 (c) TERMS.—The lease agreement authorized under
26 subsection (a) shall—

1 (1) require that operations and maintenance of
2 the Resort are conducted in a manner consistent
3 with the preservation and conservation of the re-
4 sources and values of the Park as well as the best
5 interests of the Resort;

6 (2) be for the minimum number of years prac-
7 ticable to enable the lessee to secure financing for
8 any necessary improvements to the Resort, taking
9 into account the financial obligations of CBI, but in
10 any event shall not exceed 40 years;

11 (3) prohibit any transfer, assignment or sale of
12 the lease or otherwise convey or pledge any interest
13 in the lease without prior written notification to and
14 approval by the Secretary;

15 (4) prohibit any increase in the number of
16 guest accommodations available at the Resort;

17 (5) prohibit any increase in the overall size of
18 the Resort;

19 (6) prohibit the sale of partial ownership shares
20 or timeshares in the Resort;

21 (7) be designed to facilitate transfer of all prop-
22 erty covered by the lease to Federal administration
23 upon expiration of the lease and

1 (8) include any other provisions determined by
2 the Secretary to be necessary to protect the Park
3 and the public interest.

4 (d) APPRAISALS.—The Secretary shall require ap-
5 praisals to determine the fair market value of all property
6 covered by the RUE and any property, including the value,
7 if any, of the surrendered term of the RUE, owned by
8 CBI to be donated, or otherwise conveyed, to the National
9 Park Service. Such appraisals shall be conducted pursuant
10 to the Uniform Appraisal Standards for Federal Land Ac-
11 quisition.

12 (e) COMPENSATION.—

13 (1) IN GENERAL.—The lease authorized by this
14 Act shall—

15 (A) require payment to the United States
16 of the property's fair market value rent, taking
17 into account the value of any associated prop-
18 erty transferred by CBI as well as the value, if
19 any, of the surrendered term of the RUE;

20 (B) include a provision—

21 (i) allowing recalculation of the
22 amount of the payment required under this
23 subsection, at the request of the Secretary
24 or CBI, in the event of extraordinary un-
25 anticipated changes in conditions antici-

1 pated at the time the lease was finalized;
2 and

3 (ii) providing for binding arbitration
4 in the event the Secretary and CBI are un-
5 able to agree upon an adjustment to the
6 payment in these circumstances.

7 (2) DISTRIBUTION.—Eighty percent of the pay-
8 ment to the United States required by this sub-
9 section shall be available to the Secretary, without
10 further appropriation, for expenditure within the
11 Park. The remaining twenty percent shall be depos-
12 ited in the Treasury.

13 (3) APPLICABILITY OF CERTAIN LAW.—Section
14 321 of the Act of June 30, 1932 (40 U.S.C. 1302),
15 relating to the leasing of buildings and property of
16 the United States, shall not apply to the lease en-
17 tered into by the Secretary pursuant to this Act.

18 **SEC. 3. RETAINED USE ESTATE.**

19 As a condition of the lease, CBI shall relinquish to
20 the Secretary all rights under the RUE and transfer, with-

1 out compensation, ownership of improvements covered by
2 the RUE to the United States.

Passed the House of Representatives March 4,
2008.

Attest: LORRAINE C. MILLER,
Clerk.

By DEBORAH M. SPRIGGS,
Deputy Clerk.

H.R. 1143
Virgin Islands National Park Lease

Delegate Donna Christensen (D-VI) introduced H.R. 1143 on February 16, 2007. There are no co-sponsors.

The bill would allow the Secretary to enter into a lease with the current holder of a retained use estate at Virgin Islands National Park for the Caneel Bay property, which is currently operated as a luxury resort, after the early termination of the retained use estate and donation of all improvements to the NPS.

The resort was established in 1956 by Laurance S. Rockefeller and the Jackson Hole Preserve. In 1983, Jackson Hole Preserve donated the land at Caneel Bay to the United States Government for inclusion within Virgin Islands National Park and reserved the right to continue its operations under a retained use estate. Jackson Hole Preserve did not convey the improvements on the land to the United States at that time. The reserved use estate is scheduled to expire on September 30, 2023. The warranty deed stipulates that when the retained use estate terminates, the owner of the retained use estate must donate the buildings and other improvements to the NPS.

Enactment of H.R. 1143 would allow the holder of the retained use estate to negotiate a long term lease with the NPS that could extend the Caneel Bay Resort operation beyond the year 2023. A lease could provide economic and administrative benefits to the NPS that are not available or not as viable as under a retained use estate or a concession contract, two other options.

THE FUTURE OF CANEEL BAY RESORT

Background

Caneel Bay Resort was established in 1956 by Laurance S. Rockefeller and Jackson Hole Preserve. In 1983, Jackson Hole Preserve donated approximately 150 acres of land at Caneel Bay to the United States Government for inclusion within Virgin Islands National Park. The hotel operation was permitted to continue under a "Retained Use Estate" which is scheduled to terminate no later than September 30, 2023. The Warranty Deed presently stipulates that when the Retained Use Estate terminates, the owner of the Retained Use Estate will be required to convey the buildings and other improvements to the National Park Service (NPS).

Caneel Bay has been established as a "Rockresort" and caters to an upscale clientele that stay an average of 6 nights and 7 days. The resort has a high repeat clientele. The amenities and services available at Caneel includes, 166 guest rooms, 3 restaurants, 1 beach bar, 11 tennis courts, one pool, 7 beaches, a fitness center, and a self centre offering yoga, pilates, and 4 massage therapy rooms. In addition to these services, Caneel Bay also offers a variety of watersports equipment and activities for their guests' use and enjoyment, ranging from sailing to snorkeling.

The hotel consists of all single rooms, with small seating areas as well as a balcony or patio for each room. There are no televisions or telephones in the rooms. Air conditioning was recently added to all units. During the peak winter season, rates range from \$450 upwards to \$1,350 per night per room. Summer rates span from \$350 to \$875 per room per night based on double occupancy. Rates do not include meals, but does include the use of non-motorized watersports equipment e. g. kayaks, windsurfing boards, floats, snorkel gear, and sunfish boats.

The resort employs approximately 425 to 450 employees and serves as one of the primary economic engines for the island of St. John and employs a large number of employees from St. Thomas. The resort also has a unionized workforce covering the wait staff, grounds and maintenance, as well as the housekeeping staff. Caneel Bay currently is an Economic Development Center (EDC) beneficiary and receives various tax exemptions from the V.I. Government. It is one of two resorts on the island of St. John.

Options for the future use and management of Caneel Bay Resort

Option I: Continued private operation of Caneel Bay through an extended retained use estate.

Caneel Bay would continue to operate independently and be eligible for any tax incentive benefits from the V.I. government. Its significant contributions to the economy of St. John and the Virgin Islands as a whole would remain in tact. Caneel's relationship with

the Park would continue; it would also continue to maintain the premises in a manner consistent with NPS conservation and preservation values. The resort plays an important role in the St. John community and partners with several local and government agencies to effect positive change. However, the NPS would receive very little economic benefit as owner of the property.

Option II: Operation of Caneel Bay under a Category I Concessions Contract.

The NPS would maintain operational oversight and ensure contract compliance and financial accountability. The possibility exists that Caneel would not be eligible for EDC benefits as a concessionaire, making it less lucrative to operate. As a concessions operation, the Park would benefit from the collection of a significant amount of franchise fees. It is important to note that if Caneel is operated under a concessions contract, the Park will be burdened with the payout of possessory interest at the closure of the contract, which could possibly amount to millions of dollars. Under this option the Park Service concessions staffing levels would have to be increased to oversee an operation of such magnitude and complexity. Concessions contracts are generally limited to periods of 10 years, which may not give the operator reasonable time to make a return on their capital investments. Concessions contracts are competitively awarded and current owners may not necessarily be awarded the contract. The NPS will also have to conduct a Feasibility Study to determine the economic sustainability/viability of such a venture.

Option III: Operation of Caneel Bay under a Historic Property Lease.

The NPS would lease the property through a cooperative agreement ensuring the continued preservation of the property. The leasee would pay the NPS fair market value for the lease taking into consideration the necessary adjustments for the leasee's investments. The NPS would not provide any operational oversight of the operation. The buildings and structures contained therein would be maintained, repaired, or constructed by the leasee, in accordance with NPS standards, policies and guidelines. Historic leases are also competitively offered.

The Historic Leasing option, if applicable, would provide the following to NPS:

- The Park would receive fair market value for this lease with minimal impacts to Park operations and concessions staffing.
- The operations, grounds, buildings etc. would be kept in a manner that is consistent with NPS conservation and preservation values.
- The operator would be entitled to receive tax incentive packages.
- The leasing option does not have to withstand the scrutiny of a resort being considered a "necessary and appropriate" concessions contract.

- The Park will not be liable for a multi-million dollar payout in possessory interest once a concessions contract is terminated.
- The precedent for extension of the existing Retained Use Estate would not be established.
- Lease and cooperative agreements may extend up to 50 years.

Finally, it is recommended that the NPS enter into a contract with a consulting firm that will fully analyze the various options available for the future operation of Caneel Bay. If not, then perhaps a team of NPS subject-matter experts be assembled to analyze and study the future use of the resort. Moreover, at some point the DOI's Solicitor's Office should be contacted for the purpose of rendering a legal opinion to ensure that the options would be consistent with the terms and conditions of the warranty deed.

JUL-13-2007 TUE 08:18
5:14 PM ESTUS DEPT OF THE INTERIOR
FROM LSK'S FAX 212 648 1782P 005/006
P 230 ROCKEFELLER PLAZA
NEW YORK, NY 10112

Room 3112

(212) 646-5400

June 14, 2007

JUN 14 2007

The Honorable Mary A. Bomar
Director
National Park Service
U.S. Department of the Interior
1849 C Street, N.W.
Room 3112
Washington, D.C. 20240

Dear Madam Director:

This letter is to express the views of the Executors of the Estate of Laurance S. Rockefeller and the Trustees of Jackson Hole Preserve Inc. ("JHPI") on the long-term future of Caneel Bay within the Virgin Islands National Park. As you are probably aware, the Virgin Islands National Park was created through gifts of land to the United States by Laurance S. Rockefeller through JHPI. Laurance S. Rockefeller was the long-time Chairman and President of JHPI, and I succeeded him in those posts. I am also one of the Executors of his Estate.

We understand that this issue is under active consideration in response to the requests of the current owner of the Retained Use Estate ("the RUE") to extend that right or replace it with another right of occupancy with a longer term. We are aware that legislation has been introduced to provide the National Park Service authority to enter into a lease with the current owners of the RUE.

During his lifetime, Laurance made it clear that his intention for the long-term was that Caneel Bay be part of the Virgin Islands National Park. He expressed this in a number of documents and comments. In 1988, he wrote then Director William Mott and expressed the view that the RUE should not be extended:

... in order to carry out the long-standing objective of (Jackson Hole Preserve) that the premises ultimately be an integral part of the Virgin Islands National Park under the jurisdiction of the Secretary of Interior for the use and enjoyment by visitors of the Park ...

Laurance did not express an opinion on what specific use should be made of the property as part of the Park. He generally believed that this should be left up to the management of the NPS when the time for a decision came. However, from his approach and actions in comparable situations we are convinced he would advocate a plan that minimized further impact on the land and eventual public use.

JUL-10-2007 (TUE) 08:19 US DEPT OF THE INTERIOR
FROM LSK S FAX 212 549 1782P 006/006
P. 3

The Honorable Mary A. Bomar

June 14, 2007
Page 2

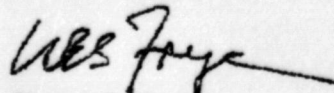
We are aware that a number of proposals have been put forward over the years but that the NPS has not reached a decision. We are also aware that the current owners of the RUE now emphasize that they must have a longer term of occupancy to obtain financing for necessary improvements. Further, we are aware that the employment offered by Caneel is a significant contributor to the economy of the Virgin Islands.

In light of these factors, we felt it important to let the NPS know that we do not necessarily oppose any extension of the term of occupancy and therefore do not oppose the legislation which would provide the NPS with leasing authority. We would urge, however, that any extension whether by RUE or lease be accompanied by careful limitations to preserve the very special nature of Caneel which Laurance created. We suggest:

1. That the character of Caneel as presently configured should not be altered. There should be no expansion to the number of guest accommodations. Additional development should be limited to providing support facilities for existing improvements. Any changes must be subject to prior National Park Service approval.
2. That there be a prohibition against sale of partial ownerships or timeshares.
3. That the term of any extension be as short as financially feasible to allow financing for essential improvements.
4. That there be operation and maintenance requirements to maintain the high standards of Caneel.
5. That there be a requirement for NPS approval of any transfer of ownership or control of the property interest.
6. That there be adequate compensation to the NPS for the substantial additional value an extension would create and that the compensation be available for use within the Park itself.

Clearly this is a decision to be made by the NPS, but we believe that this approach could provide a practical solution in light of current circumstances without compromising the long-term possibility of Caneel becoming a part of the Park as Laurance wished and expected.

Sincerely,


Clayton W. Frye, Jr.

cc: Henry L. Diamond, Esq.
By Facsimile with Hard Copy to Follow

DRAFT - Controlled Correspondence #07 - 038
Due Date - July 16, 2007

A3815

July 12, 2007

Mr. Clayton W. Frye, Jr.
Jackson Hole Preserve, Inc.
30 Rockefeller Plaza
New York, NY 10112

Dear Mr. Frye:

Thank you for your letter regarding the long-term future of Caneel Bay within Virgin Islands National Park. The National Park Service is committed to carrying out the wishes of Laurance S. Rockefeller, and the concerns of the Executors of his Estate and the Trustees of Jackson Hole Preserve, Inc. are very important to us.

The National Park Service has been considering alternatives for the future of Caneel Bay, Inc. (CBI). We are aware that closing CBI would be a locally unpopular and economically depressing action for the island of St. John. We agree with the suggestions that you offered in your letter, and we will take them into consideration as we move forward with this process.

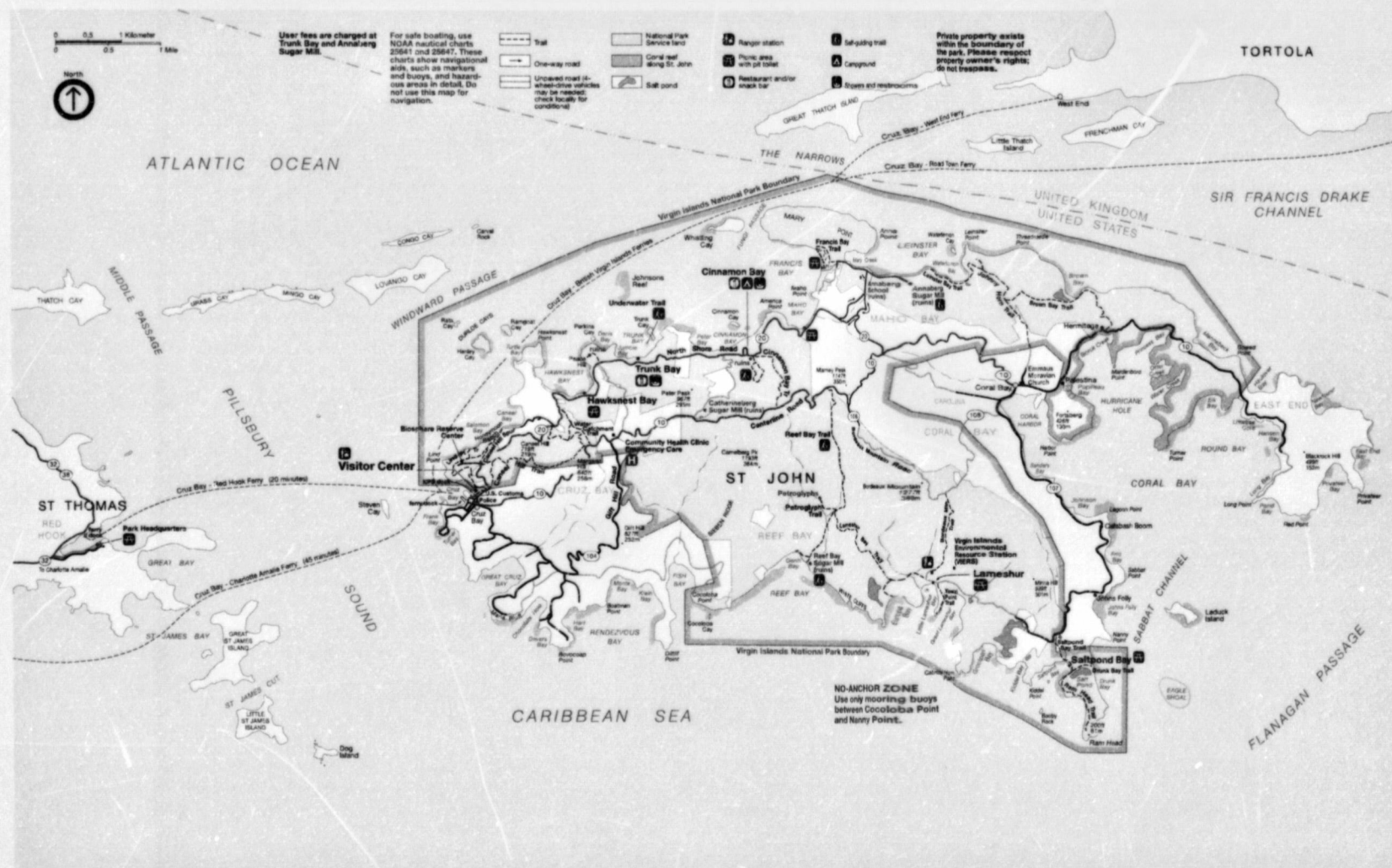
No final determination has been made regarding the future of the Retained Use Estate. As you are aware, there is Congressional legislation pending that would authorize the current management company to continue operating the resort as a lease arrangement with the National Park Service. If the legislation is passed and a lease agreement is determined to be the best management option for the National Park Service, all of the limitations addressed in your letter will be given high priority in developing the lease conditions.

Please be assured that a future lease, if it transpires, would ensure maintenance of the resort's existing character and would provide the National Park Service with greater control and oversight to protect and preserve the natural and cultural resources contained within the properties occupied by CBI, in accordance with the wishes of Laurance S. Rockefeller.

Again, thank you for your letter and for your continued support of the National Park Service.

Sincerely,

Mary A. Bomar
Director





- TRANSPORTATION
- CURRENCY
- IMMIGRATION & CUSTOMS
- ATTRACTIONS
- HISTORY
- RESORT MAP (PDF)
- FERRY SCHEDULE



CURRENT TIME: 4:29 PM

CURRENT TEMPERATURE: 79°F

Situated on a 170-acre peninsula surrounded by the beauty of the Virgin Island National Park and seven pristine beaches, Caneel Bay is on St. John in the U.S. Virgin Islands. With 3/5 of the island preserved under the national park system, the island remains the least commercial and low key of the three USVI islands. This tiny island is only accessible by boat or ferry. Its beaches are considered to be some of the best in the world, white sandy beaches shaded by seagrape trees and coconut palms.

NOTE:

No passport is required for U.S. citizens traveling to the U.S.V.I. An original copy of one's birth certificate with photo I.D. may be presented for entry.



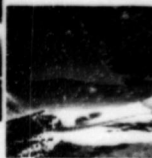
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Caneel Bay invites you to 'disconnect' in pristine natural surroundings and low-key luxury. The exclusive resort, nestled within the Virgin Islands National Park on St. John, remains faithful to the vision of founder Laurance Rockefeller and his reverence for the environment. Seven secluded white sand beaches border 170 lush acres where Caneel's accommodations have been artfully built to blend into the landscape. A true escape, the resort remains purposefully absent of modern glitz, digital distractions and the furious pace of the world at home.

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MEDIA KIT

Resort Fact Sheet

Location

- St. John, United States Virgin Islands
- Guests visiting Caneel Bay, A Rosewood Resort fly into Cyril E. King Airport in St. Thomas (STT) accessed by American Airlines, US Airways, Delta Airlines, Continental Airlines, United Airlines and select regional carriers.
- 4 miles (35 minute ferry ride) from Charlotte Amalie or 1 mile (15 minute ferry ride) from Red Hook
- Resort provides St. Thomas airport reception and check-in followed by a short land transfer to Caneel Bay's private boat service to St. John.
- Caneel Bay also offers regular boat service to its sister resort, Little Dix Bay, A Rosewood Resort on Virgin Gorda, British Virgin Islands. The scenic, 90-minute trip eastward through the Sir Francis Drake Channel features breathtaking views of emerald islands and turquoise waters. Among the highlights are vistas of Tortola, Norman and Peter Islands, Cooper and Ginger Islands, Beef Island and Scrub Island.
- Proof of citizenship is required to travel from the United States to the British Virgin Islands.

Resort Concept/Philosophy

Set on its own peninsula and surrounded by the Atlantic Ocean and Caribbean Sea, Caneel Bay offers seven separate beaches on a 170-acre peninsula and is located in the heart of the 5,000-acre Virgin Islands National Park.

Managed by Rosewood Hotels & Resorts, Caneel Bay ensures the Rosewood signature commitment to excellence which entails unparalleled attention to detail, devotion to style and understated elegance and exceptional personalized service.

Resort History

Laurance S. Rockefeller "discovered" Caneel Bay in 1952 while sailing in the Caribbean. The total population of the island was only 400, and 85 percent of the island's topography was jungle. He foresaw the perfect vacation spot amid this unspoiled land and purchased the Caneel Bay Plantation.

In 1955, he began developing an infrastructure on the island to provide the resort with power, fresh water and roads. He oversaw every detail of the development. He donated the property to Jackson Hole Preserve, a non-profit, conservation-minded foundation supported by the Rockefeller family. The preserve later purchased 5,000 more acres surrounding Caneel Bay and donated the land to the federal government, thus paving the way for the creation of the U.S.V.I. National Park.

In 1993, Caneel Bay became a Rosewood Resort.

Beaches

Circling the peninsula, Caneel Bay features seven secluded beaches: Honeymoon Beach, Caneel Beach, Little Caneel Beach, Paradise Beach, Scott Beach, Turtle Bay Beach and Hawksnest Beach.

Each of the beaches is defined by its own unique personality. Honeymoon is the only "uninhabited" beach, free of accommodation. Caneel and Little Caneel are popular with families due to their gentle waters and abundant water sports activities. Paradise and Scott are known as the "peace and quiet" beaches and are famed for their glorious sunsets. Turtle Bay is an intimate cove with gentle breezes and picturesque island vistas. Finally, Hawksnest is known as the "wild beach" and is preferred by those seeking a golden sunrise and the lull of gentle surf.

Guest Rooms

- 166 airy, spacious guest rooms feature air-conditioning with digital in-room climate control, louvered walls, open-picture windows and ceiling fans to allow guests to take in St. John's plentiful trade winds.
- Casually elegant interiors are decorated with hand-crafted furniture, richly woven fabrics, plush reading chairs, commissioned artwork and tiled bathrooms.
- All rooms feature either a patio or balcony and offer breathtaking views of the pristine white beaches or lush tropical gardens.
- All guest rooms include sitting area, fully stocked refrigerator/mini-bar, safe, bathrobes and slippers, iron and ironing board, hairdryer and umbrella. There are no telephones or televisions in the individual guest rooms.
- Once the island home of the Rockefeller family, the famous 'Cottage 7' has housed celebrities and political figures, who enjoy its secluded location and its five individually designed rooms, some featuring Dutch-style, four-poster beds.

Resort Dining

CANEEL BEACH TERRACE Caneel Beach Terrace is located directly adjacent to the reception/lobby area. The dining room, which features an open-line kitchen with wood-burning oven and rotisserie, overlooks Caneel Beach. Popular for its sumptuous breakfast and lunch buffet, Caneel Beach Terrace is home to the resort's renowned Monday night grand buffet. All meals feature the finest cuisine prepared with health and fitness in mind.

CANEEL BEACH GRILL The Caneel Beach Grill serves all-day favorites ranging from salads to burgers to meatloaf sandwiches, with a nod to relaxing flavors of 1950s home-cooking.

BREEZEWAY BAR With a view of Caneel Bay Beach, the Breezeway Bar serves refreshing cocktails throughout the day and provides a lovely vantage point for watching the arrival of boats to Caneel's dock or for enjoying views of the sun setting behind St. Thomas as evening approaches.

EQUATOR Set high atop the resort's 18th-century sugar mill ruins, overlooking Caneel Bay with St. Thomas on the horizon, Equator features fresh seafood and grilled meats prepared with Caribbean-Asian flair. The open-air, lofty restaurant is prized for its evening breezes and spectacular sunsets. More intimate dining can be experienced in the adjacent sugar mill ruins. "Dinner in the Ruins" features romantic tiki-torch and candlelight dining amid the historic stone walls and the expansive starlit skies.

SUNSET TERRACE The open-air Sunset Terrace is perched above the Caneel Bay Bar and overlooks the water sport activity on Caneel Bay Beach. This exceptional vista serves as the perfect spot to enjoy a refreshing cocktail or a light snack.

TURTLE BAY ESTATE HOUSE Perched high on a panoramic peninsula, the Turtle Bay Estate House offers an inspired menu of contemporary American cuisine served within the walls of an 18th-century plantation house. Breakfast and lunch buffets are also served in high season at Turtle Bay. The restaurant's verandah, surrounded by shade trees and Caribbean hardwood furniture, is the perfect setting for afternoon tea or evening cocktails.

THE WINE ROOM The Wine Room, located within the Turtle Bay Estate House seats up to 10 for private dinners. A prix-fixe, seven-course menu, carefully selected to highlight selections from Caneel's wine collection, is offered. The wine list is comprised of 265 selections to complement wine tastings and pairing dinners. The Caribbean's only fully operational, temperature-controlled wine room boasts over 1,000 bottles of wine. Weekly wine tasting is offered on a complimentary basis to preview the resort's latest selections.

Exclusive Services

THE SELF CENTRE Located atop a quiet bluff offering breathtaking views of the Sir Francis Drake Channel, the Self Centre offers an array of mind and body approaches for stress relief, relaxation, rejuvenation and a renewed sense of self. The Self Centre, which includes something for every guest including yoga, meditation and Ayurveda, is run by creator and director Jan Kinder, a registered nurse and educator for Deepak Chopra.

CHILDREN'S PROGRAM Caneel Bay offers an extensive children's program for young guests, with the focus on making learning fun. The resort's "Turtle Town" is the hub of children's activities, including: nature walks, arts and crafts, magic shows, pirate treasure hunts, a playground fish hunt and much more. All activities take place under the guidance of caring, knowledgeable and fully trained supervisors. Parents may join their children for some or all of the activities at Turtle Town if they desire.

BABYSITTING SERVICES The resort offers a nanny service available during the day and evening hours with 24-hour notice requested. Nannies are carefully screened by qualified childcare professionals.

Leisure Activities

NATURE WALKS Choose from Caneel Bay's own nature trails or moderate to advanced trails in the national park system. Hiking affords

close-up views of more than 500 species of plant life. The resort's 170 acres are criss-crossed with well maintained paths for hikers, joggers and strollers. Caneel Bay resident horticulturist, Oriel Smith, conducts nature tours of the gardens.

SIGHTSEEING The 5,000-acre Virgin Islands National Park surrounds the resort with spectacular views across the sea to other islands. Quaint shops and restaurants can be found in the nearby town of Cruz Bay. Excursions to St. Thomas, or to Little Dix Bay on Virgin Gorda, and other destinations can be easily arranged. The resort's kitchens can prepare picnic lunches. Historic Annaberg Plantation's restored sugar mill ruins offer a fascinating insight into the history of the region.

Sports & Recreational Facilities

WATER SPORTS

Swim or snorkel from a choice of seven pristine, powder-white beaches
 Complimentary Sunfish sailing, sea kayaks, windsurfing and snorkeling equipment
 Private snorkeling outings led by Caneel Bay's resident "Snorkologist"
 One and two tank Scuba day and night dives, with complimentary introduction class
 Beautifully landscaped, freshwater swimming pool features floral "fencing"
 Private boat charters and deep sea-fishing trips
 Full and half day sailing excursions
 Sunset cocktail and beach BBQ cruises
 Nearby underwater snorkeling trail at renowned Trunk Bay, a short drive from the resort

GOLF

Opened in 1980 and designed by George & Tom Fazio, Golf Digest proclaimed Mahogany Run, "an engineering marvel being carved and blasted into an area of land just less than 110 acres." With 77,000 square feet of greens and tight, winding fairways, this is target golf with beautiful views culminating in the signature holes 13, 14 and 1, known as the Devil's Triangle. Mahogany Run is located in St. Thomas, a short water and land transfer from the resort.

FITNESS CENTER

Open 24 hours, the cardiovascular training equipment includes:

- 3 Precor C956 Treadmills
- 2 Lifestep Stairclimbers
- 2 Tectrix Stationary Bicycles
- 2 Precor Recumbent Bicycles
- 1 Precor EFX Elliptical Trainer
- 1 Cybex Modular Strength Station: press/lat pull-down
- 1 Cybex Modular Strength Station: leg extension/leg curl/cable column
- Free Weights: 1-50 pounds
- Exercise Mats, Fitness Balls, and Flat Bench/Incline Bench

TENNIS

Elegant, terraced Tennis Park with 11 all-weather, outdoor tennis courts
 Courts under the direction of Peter Burwash International
 Complimentary clinics and weekly round-robin tournaments
 Private, semi-private and group lessons available
 Outstanding Pro Shop offering the latest apparel and accessories

Additional Amenities

- Half-hour, one-hour and couple's massage
- Watercolor painting classes with Caneel Bay's resident artist, Kat Sowa
- Hot Type program
- Caneel "sugarworks" stroll
- Jeep rentals for island sight-seeing
- Nightly movie presentations at the Turtle Bay Estate House
- Manager's weekly cocktail party
- Gift shop/clothing boutique with a wide selection of apparel, souvenirs, magazines and select essentials

Business Center

Computers (with high-speed Internet access), phone and fax machine
Cellular phones are available to guests at no extra charge
Wireless Internet access available in select locations throughout the resort's grounds

Operator: Rosewood Hotels & Resorts
Staff: 450 employees

Opened:
Caneel Bay originally opened in March 1955
Opened 1993 as A Rosewood Resort
Re-opened November 1996 after extensive refurbishments

CONTACT INFORMATION

Caneel Bay, A Rosewood Resort
P.O. Box 720, St. John, V.I., USA 00831
T 340.776.6111
F 340.693.8280
caneel@rosewoodhotels.com

**STATEMENT OF KAREN TAYLOR-GOODRICH, ASSOCIATE DIRECTOR, VISITOR
AND RESOURCE PROTECTION, NATIONAL PARK SERVICE, U.S. DEPARTMENT
OF THE INTERIOR, BEFORE THE SUBCOMMITTEE ON NATIONAL PARKS,
FORESTS, AND PUBLIC LANDS OF THE HOUSE COMMITTEE ON NATURAL
RESOURCES CONCERNING H.R. 1143, A BILL TO AUTHORIZE THE SECRETARY
OF THE INTERIOR TO LEASE CERTAIN LANDS IN VIRGIN ISLANDS NATIONAL
PARK, AND FOR OTHER PURPOSES.**

OCTOBER 30, 2007

Mr. Chairman, thank you for the opportunity to provide the Department of the Interior's views on H.R. 1143, a bill to authorize the Secretary of the Interior to lease certain lands in Virgin Islands National Park, and for other purposes.

The Department supports the general intent of H.R. 1143 and what it seeks to accomplish. However, we would like the opportunity to work with the Subcommittee to clarify the terms and conditions of the lease and when the lease would take effect.

H.R. 1143 would allow the Secretary of the Interior to enter into a lease with the current holder of a retained use estate at Virgin Islands National Park for the Caneel Bay property, which is currently operated as a luxury resort, after the termination of the retained use estate and donation of all improvements to the National Park Service (NPS).

Without H.R. 1143 the NPS does not have the authority to enter into a lease, in accordance with 36 CFR §18, Leasing of Properties in Park Areas, without issuing a Request for Bids or a Request for Proposals. A noncompetitive lease could only be issued under two circumstances – by issuing the lease to a nonprofit organization or unit of government, or by entering into a short-term, 60-day or less lease, neither of which would apply in this case.

Caneel Bay Resort is one of two large resorts on the island of St. John. The resort is located on a 150-acre peninsula on the northwest side of the island of St. John and caters to an upscale clientele that stays an average of 6 nights and 7 days. The resort has approximately 425 to 450 employees and serves as one of the primary economic engines for the U.S. Virgin Islands. A large number of employees travel daily to St. John from their residences on neighboring St. Thomas. The resort is also an Economic Development Center beneficiary and, as such, receives various tax exemptions from the Government of the Virgin Islands.

The resort was established in 1956 by Laurance S. Rockefeller and the Jackson Hole Preserve. In 1983, Jackson Hole Preserve donated the land at Caneel Bay to the United States Government for inclusion within Virgin Islands National Park and reserved the right to continue its operations under a retained use estate. Jackson Hole Preserve did not convey the improvements on the land to the United States at that time. The reserved use estate is scheduled to expire on September 30, 2023. The warranty deed stipulates that when the retained use estate terminates, the owner of the retained use estate must donate the buildings and other improvements to the NPS.

Enactment of H.R. 1143 would allow the current holder of the retained use estate to negotiate a long-term lease with the NPS that could extend the Caneel Bay Resort operation well beyond the year 2023. Such an extension could allow the leaseholder to secure financing and undertake other long-term operational measures that might not be possible under the provisions of the current retained use estate.

The NPS has evaluated various options for the future use and management of the Caneel Bay property. Based upon a value analysis, we determined that the continued future operation of Caneel Bay as a resort under a lease would provide the greatest advantage to the NPS and the U.S. Virgin Islands. A lease could provide economic and administrative benefits to the NPS and the lessee that are not available or not as viable as under a retained use estate or a concession contract, two of the other options that were examined.

Any lease agreement would have to address the continued protection, preservation, and restoration of the property's structures, many of which are more than 50 years old and may be National Register eligible. The lease agreement would also have to determine the fair market value of the property, any constraints on development of property during the term of the lease, and the ability to transfer the lease in the future. Also, when the current retained use estate was finalized there were three small properties that are integral to the operation of the Caneel Bay resort that were not included. We would like to include these properties under the terms of the lease. Finally, H.R. 1143 may need to be amended to clarify the intent of the bill regarding when the current retained use estate would expire and when the new lease would begin. We will be happy to work with the Subcommittee to develop these amendments.

Mr. Chairman, this concludes my prepared remarks. I would be pleased to answer any questions you or other members of the Subcommittee may have.

Union Calendar No. 323

110TH CONGRESS
2D SESSION**H. R. 1143****[Report No. 110-532]**

To authorize the Secretary of the Interior to lease certain lands in Virgin Islands National Park, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 16, 2007

Mrs. CHRISTENSEN introduced the following bill; which was referred to the Committee on Natural Resources

FEBRUARY 28, 2008

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on February 16, 2007]

A BILL

To authorize the Secretary of the Interior to lease certain lands in Virgin Islands National Park, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. DEFINITIONS.**

4 *In this Act, the following definitions apply:*

1 values of the Park as well as the best interests of the
2 Resort;

3 (2) be for the minimum number of years prac-
4 ticable to enable the lessee to secure financing for any
5 necessary improvements to the Resort, taking into ac-
6 count the financial obligations of CBI, but in any
7 event shall not exceed 40 years;

8 (3) prohibit any transfer, assignment or sale of
9 the lease or otherwise convey or pledge any interest in
10 the lease without prior written notification to and ap-
11 proval by the Secretary;

12 (4) prohibit any increase in the number of guest
13 accommodations available at the Resort;

14 (5) prohibit any increase in the overall size of
15 the Resort;

16 (6) prohibit the sale of partial ownership shares
17 or timeshares in the Resort;

18 (7) be designed to facilitate transfer of all prop-
19 erty covered by the lease to Federal administration
20 upon expiration of the lease; and

21 (8) include any other provisions determined by
22 the Secretary to be necessary to protect the Park and
23 the public interest.

24 (d) APPRAISALS.—The Secretary shall require ap-
25 praisals to determine the fair market value of all property

1 covered by the RUE and any property, including the value,
2 if any, of the surrendered term of the RUE, owned by CBI
3 to be donated, or otherwise conveyed, to the National Park
4 Service. Such appraisals shall be conducted pursuant to the
5 Uniform Appraisal Standards for Federal Land Acquisi-
6 tion.

7 (e) COMPENSATION.—

8 (1) IN GENERAL.—The lease authorized by this
9 Act shall—

10 (A) require payment to the United States of
11 the property's fair market value rent, taking into
12 account the value of any associated property
13 transferred by CBI as well as the value, if any,
14 of the surrendered term of the RUE;

15 (B) include a provision—

16 (i) allowing recalculation of the
17 amount of the payment required under this
18 subsection, at the request of the Secretary or
19 CBI, in the event of extraordinary unan-
20 ticipated changes in conditions anticipated
21 at the time the lease was finalized; and

22 (ii) providing for binding arbitration
23 in the event the Secretary and CBI are un-
24 able to agree upon an adjustment to the
25 payment in these circumstances.

1 (2) *DISTRIBUTION.*—Eighty percent of the pay-
2 ment to the United States required by this subsection
3 shall be available to the Secretary, without further
4 appropriation, for expenditure within the Park. The
5 remaining twenty percent shall be deposited in the
6 Treasury.

7 (3) *APPLICABILITY OF CERTAIN LAW.*—Section
8 321 of the Act of June 30, 1932 (40 U.S.C. 1302), re-
9 lating to the leasing of buildings and property of the
10 United States, shall not apply to the lease entered
11 into by the Secretary pursuant to this Act.

12 **SEC. 3. RETAINED USE ESTATE.**

13 As a condition of the lease, CBI shall relinquish to the
14 Secretary all rights under the RUE and transfer, without
15 compensation, ownership of improvements covered by the
16 RUE to the United States.

Union Calendar No. 323

110TH CONGRESS
2D SESSION

H. R. 1143

[Report No. 110-532]

A BILL

To authorize the Secretary of the Interior to lease certain lands in Virgin Islands National Park, and for other purposes.

FEBRUARY 28, 2008

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

4

Stenographic Transcript
of Hearings

100

Subcommittee on National Parks

COMMITTEE ON ENERGY & NATURAL
RESOURCES

UNITED STATES SENATE

THE PURPOSE OF THE HEARING IS TO RECEIVE TESTIMONY ON THE FOLLOWING
BILLS: S. 1774, TO DESIGNATE THE JOHN KREBS WILDERNESS IN THE STATE OF
CALIFORNIA, TO ADD CERTAIN LAND TO THE SEQUOIA-KINGS CANYON NATIONAL
PARK WILDERNESS, AND FOR OTHER PURPOSES; S. 2255, TO AMEND THE NATIONAL
TRAILS SYSTEM ACT TO PROVIDE FOR STUDIES OF THE CHISHOLM TRAIL AND GREAT
WESTERN TRAIL TO DETERMINE WHETHER TO ADD THE TRAILS TO THE NATIONAL
TRAILS SYSTEM, AND FOR OTHER PURPOSES; S. 2359, TO ESTABLISH THE ST.
AUGUSTINE 450TH COMMEMORATION COMMISSION, AND FOR OTHER PURPOSES; S.
2943, TO AMEND THE NATIONAL TRAILS SYSTEM ACT TO DESIGNATE THE PACIFIC
NORTHWEST NATIONAL SCENIC TRAIL; S. 3010, TO REAUTHORIZE THE ROUTE 66
CORRIDOR PRESERVATION PROGRAM; S. 3017, TO DESIGNATE THE BEAVER BASIN
WILDERNESS AT PICTURED ROCKS NATIONAL LAKESHORE IN THE STATE OF
MICHIGAN; S. 3045, TO ESTABLISH THE KENAI MOUNTAINS-TURNAGAIN ARM
NATIONAL FOREST HERITAGE AREA IN THE STATE OF ALASKA, AND FOR OTHER
PURPOSES; H.R. 1143, TO AUTHORIZE THE SECRETARY OF THE INTERIOR TO LEASE
CERTAIN LANDS IN VIRGIN ISLANDS NATIONAL PARK, AND FOR OTHER PURPOSES;
AND S. 3096, A BILL TO AMEND THE NATIONAL CAVE AND KARST RESEARCH
INSTITUTE ACT OF 1998 TO AUTHORIZE APPROPRIATIONS FOR THE NATIONAL CAVE
AND KARST RESEARCH INSTITUTE

Tuesday, June 17, 2008

Washington, D.C.

ALDERSON REPORTING COMPANY
1155 CONNECTICUT AVENUE, N.W.
SUITE 200
WASHINGTON, D.C. 20036
(202) 289-2260

Note:
Transcript
found in
S. 1774,
Sequoia King
Canyon NPW



David Brooks
<david_brooks@energy
.senate.gov>

09/05/2008 02:59 PM
AST

To: Don Hellmann <Don_Hellmann@nps.gov>, Melissa Kuckro
<Melissa_Kuckro@nps.gov>, Jo Pendry <Jo_Pendry@nps.gov>
cc:
Subject: FW: revised Caneel Bay draft (WEI08649.xml)

Here is the updated Caneel Bay draft back from leg. counsel. I've added a definition of associated property and made a couple of technical amendments. I have forwarded this amendment to Rep. Christensen's office and Tom Lillie and am waiting to hear back from them.

David



----- End of Forwarded Message WEI08649_xml.pdf

AMENDMENT NO.

Calendar No.

Purpose: To provide a complete substitute.

IN THE SENATE OF THE UNITED STATES—110th Cong., 2d Sess.

H.R. 1143

To authorize the Secretary of the Interior to lease certain lands in Virgin Islands National Park, and for other purposes.

Referred to the Committee on _____ and
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT IN THE NATURE OF A SUBSTITUTE intended
to be proposed by

Viz:

1 Strike all after the enacting clause and insert the fol-
2 lowing:

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Caneel Bay Lease Au-
5 thorization Act".

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

1 (1) ASSOCIATED PROPERTY.—The term “asso-
2 ciated property” means real property on the island
3 of St. John that is—

4 (A) owned by the owner of the retained use
5 estate; and

6 (B) related to the operation of the resort.

7 (2) PARK.—The term “Park” means Virgin Is-
8 lands National Park.

9 (3) RESORT.—The term “resort” means the
10 Caneel Bay resort on the island of St. John in Vir-
11 gin Islands National Park.

12 (4) RETAINED USE ESTATE.—The term “re-
13 tained use estate” means the retained use estate for
14 the Caneel Bay property on the island of St. John
15 entered into between the Jackson Hole Preserve and
16 the United States on September 30, 1983.

17 (5) SECRETARY.—The term “Secretary” means
18 the Secretary of the Interior.

19 **SEC. 3. LEASE AUTHORIZATION.**

20 (a) DETERMINATION AND AUTHORIZATION.—

21 (1) IN GENERAL.—If the Secretary determines
22 that the long-term benefit to the Park will be great-
23 er by entering into a lease with the owner of the re-
24 tained use estate than by authorizing a concession
25 contract upon the termination of the retained use es-

1 tate, the Secretary may enter into a lease for the op-
2 eration and management of the resort.

3 (2) ASSOCIATED PROPERTY.—The Secretary
4 may—

5 (A) acquire associated property from the
6 owner of the retained use estate; and

7 (B) after acquisition, administer the asso-
8 ciated property as part of the Park.

9 (b) AUTHORITY.—Except as otherwise provided by
10 this Act, a lease entered into under this Act shall be in
11 accordance with section 3(k) of Public Law 91-383 (16
12 U.S.C. 1a-2(k)), notwithstanding paragraph (2) of that
13 subsection.

14 (c) TERMS AND CONDITIONS.—A lease authorized
15 under this Act shall—

16 (1) be for a term of the minimum number of
17 years practicable, taking into consideration the need
18 for the lessee to secure financing for necessary cap-
19 ital improvements to the resort, but not to exceed 40
20 years;

21 (2) prohibit any transfer, assignment, or sale of
22 the lease or other conveyance or pledge of any inter-
23 est in the lease without prior written notification to,
24 and approval by, the Secretary;

1 (3) ensure that the general character of the re-
2 sort property remains unchanged, including a prohi-
3 bition against—

4 (A) any increase in the overall size of the
5 resort; or

6 (B) any increase in the number of guest
7 accommodations available at the resort;

8 (4) prohibit the sale of partial ownership shares
9 or timeshares in the resort; and

10 (5) include any other provisions determined by
11 the Secretary to be necessary to protect the Park
12 and the public interest.

13 (d) RENTAL AMOUNTS.—In determining the fair
14 market value rental of the lease required under section
15 3(k)(4) of Public Law 91-383 (16 U.S.C. 1a-2(k)(4)), the
16 Secretary shall take into consideration—

17 (1) the value of any associated property con-
18 veyed to the United States; and

19 (2) the value, if any, of the relinquished term
20 of the retained use estate.

21 (e) USE OF PROCEEDS.—Rental amounts paid to the
22 United States under a lease entered into under this Act
23 shall be available to the Secretary, without further appro-
24 priation, for visitor services and resource protection in the
25 Park.

1 (f) CONGRESSIONAL NOTIFICATION.—Not less than
2 60 days before the effective date of a proposed lease under
3 this Act, the Secretary shall submit to the Committee on
4 Energy and Natural Resources of the Senate and the
5 Committee on Natural Resources of the House of Rep-
6 resentatives a copy of the proposed lease.

7 (g) RENEWAL.—

8 (1) IN GENERAL.—A lease entered into under
9 this Act may not be extended or renewed.

10 (2) CONTINUATION OF COMMERCIAL SERV-
11 ICES.—On the termination of a lease entered into
12 under this Act, if the Secretary determines the con-
13 tinuation of commercial services at the resort to be
14 appropriate, the services shall be provided in accord-
15 ance with the National Park Service Concessions
16 Management Improvement Act of 1998 (16 U.S.C.
17 5951 et seq.).

18 **SEC. 4. RETAINED USE ESTATE.**

19 (a) IN GENERAL.—As a condition of entering into a
20 lease under this Act, the owner of the retained use estate
21 shall—

22 (1) terminate, extinguish, and relinquish to the
23 Secretary all rights under the retained use estate;
24 and

1 (2) transfer, without consideration, ownership
2 of improvements on the retained use estate to the
3 National Park Service.

4 (b) APPRAISAL.--

5 (1) IN GENERAL.—The Secretary shall require
6 an appraisal by an independent, qualified appraiser
7 that is agreed to by the Secretary and the owner of
8 the retained use estate to determine the value, if
9 any, of the relinquished term of the retained use es-
10 tate.

11 (2) REQUIREMENTS.—An appraisal under para-
12 graph (1) shall be conducted in accordance with—

13 (A) Uniform Appraisal Standards for Fed-
14 eral Land Acquisitions developed by the Inter-
15 agency Land Acquisition Conference; and

16 (B) the Uniform Standards of Professional
17 Appraisal Practice.



Melissa Kuckro
09/12/2008 11:18 AM
EDT

To: Jo Pendry/WASO/NPS@NPS, PAM BARKIN/HQ/SOL/DOI@SOL
cc: Don Hellmann/WASO/NPS@NPS
Subject: Caneel Bay legislation

Jo and Pam,

Thanks for reviewing the Caneel Bay legislation and offering a few suggestions. As it turned out, as you may know, there wasn't agreement on final language and it did not make it to markup in the Senate yesterday.

Art Frederick, Deputy RD and former Supt at Virgin Islands, had this comment about the latest draft:

"It appears to be fine, for the exception that it is anemic on protecting park resources. We have had problems with the resort in the past of not having any considerations for 106/NEPA review, e.g., installing sidewalks, converting and/or making modifications to historic features, applying pesticides/herbicides, installing pipelines, planting exotics, care/feed of exotics (donkeys) etc. without consulting the park. We were hopeful that with the lease, we would have greater oversight. Item 5 under Terms/conditions touches upon it, but not as strongly as I think it should. If we could strengthen that component, it would be great. I am sure Mark would agree."

Pam - if you have any thoughts about some language for getting at Art's concerns, please let us know.

Thanks,
Melissa

Melissa Kuckro
NPS Legislative and Congressional Affairs
1849 C Street, NW - Room 7247
Washington, DC 20240
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202-431-7269 (mobile)
202-208-5683 (fax)
melissa_kuckro@nps.gov



NATIONAL PARK SERVICE
CONCESSION PROGRAM
1849 C Street, NW
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Washington, DC 20240
202-513-7144
Jo_pendry@nps.gov
"Experience Your America"
www.nps.gov

FAX

To: Melissa Kuckro

From:

Fax: 208-5683

Phone:

9/10/08

Re:

Attached are my and Pam Barkin's proposed changes to the Caneel Legislation. We may have 1 more change regarding the appraisal, but wanted you to have what we have so far. Bruce Sheaffer has not yet, to my knowledge, reviewed. He is copied on this fax.

Thanks

Jo

O:\WEI\WEI08649.xml

S.L.C.

AMENDMENT NO. _____ Calendar No. _____

Purpose: To provide a complete substitute.

IN THE SENATE OF THE UNITED STATES—110th Cong., 2d Sess.

H. R. 1143

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Referred to the Committee on _____ and
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Ordered to lie on the table and to be printed

AMENDMENT IN THE NATURE OF A SUBSTITUTE intended
to be proposed by _____

Viz:

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5 thorization Act".

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

O:\WERWEI08649.xml

S.L.C.

2

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as amended, assigned
and assumed.

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sucha

S.L.C.

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15 under this Act shall—

16 (1) be for a term of the minimum number of
17 years practicable, taking into consideration the need
18 for the lessee to secure financing for necessary cap-
19 ital improvements to the resort, but not to exceed 40
20 years;

21 (2) prohibit any transfer, assignment, or sale of
22 the lease or other conveyance or pledge of any inter-
23 est in the lease without prior written notification to,
24 and approval by, the Secretary;

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S.L.C.

4

1 (3) ensure that the general character of the re-
2 sort property remains unchanged, including a prohi-
3 bition against—

4 (A) any increase in the overall size of the
5 resort; or

6 (B) any increase in the number of guest
7 accommodations available at the resort;

8 (4) prohibit the sale of partial ownership shares
9 or timeshares in the resort; and

10 (5) include any other provisions determined by
11 the Secretary to be necessary to protect the Park
12 and the public interest.

13 (d) RENTAL AMOUNTS.—In determining the fair
14 market value rental of the lease required under section
15 3(k)(4) of Public Law 91-383 (16 U.S.C. 1a-2(k)(4)), the
16 Secretary shall take into consideration—

17 (1) the value of any associated property con-
18 veyed to the United States; and

19 (2) the value, if any, of the relinquished term
20 of the retained use estate.

21 (e) USE OF PROCEEDS.—Rental amounts paid to the
22 United States under a lease entered into under this Act
23 shall be available to the Secretary, without further appro-
24 priation, for visitor services and resource protection in the
25 Park.

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award

1 (f) CONGRESSIONAL NOTIFICATION.—Not less than
2 60 days before the effective date of a proposed lease under
3 this Act, the Secretary shall submit to the Committee on
4 Energy and Natural Resources of the Senate and the
5 Committee on Natural Resources of the House of Rep-
6 resentatives a copy of the proposed lease.

7 (g) RENEWAL.—

8 (1) IN GENERAL.—A lease entered into under
9 this Act may not be extended or renewed.

10 (2) CONTINUATION OF COMMERCIAL SERV-
11 ICES.—On the termination of a lease entered into
12 under this Act, if the Secretary determines the con-
13 tinuation of commercial services at the resort to be
14 appropriate, the services shall be provided in accord-
15 ance with the National Park Service Concessions
16 Management Improvement Act of 1998 (16 U.S.C.
17 5951 et seq.).

18 **SEC. 4. RETAINED USE ESTATE.**

19 (a) IN GENERAL.—As a condition of entering into a
20 lease under this Act, the owner of the retained use estate
21 shall—

22 (1) terminate, extinguish, and relinquish to the
23 Secretary all rights under the retained use estate;
24 and

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6

1 (2) transfer, without consideration, ownership
2 of improvements on the retained use estate to the
3 National Park Service.

4 (b) APPRAISAL.—

5 (1) IN GENERAL.—The Secretary shall require
6 an appraisal by an independent, qualified appraiser
7 that is agreed to by the Secretary and the owner of
8 the retained use estate to determine the value, if
9 any, of the relinquished term of the retained use es-
10 tate.

11 (2) REQUIREMENTS.—An appraisal under para-
12 graph (1) shall be conducted in accordance with—

13 (A) Uniform Appraisal Standards for Fed-
14 eral Land Acquisitions developed by the Inter-
15 agency Land Acquisition Conference; and

16 (B) the Uniform Standards of Professional
17 Appraisal Practice.

IIB

110TH CONGRESS
2D SESSION

H. R. 1143

IN THE SENATE OF THE UNITED STATES

MARCH 5, 2008

Received; read twice and referred to the Committee on Energy and Natural
Resources

AN ACT

To authorize the Secretary of the Interior to lease certain
lands in Virgin Islands National Park, and for other
purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. DEFINITIONS.**

2 In this Act, the following definitions apply:

3 (1) SECRETARY.—The term “Secretary” means
4 the Secretary of the Interior.

5 (2) RUE.—The term “RUE” means the re-
6 tained use estate entered into by the Jackson Hole
7 Preserve and the United States on September 30,
8 1983.

9 (3) PARK.—The term “park” means Virgin Is-
10 lands National Park.

11 (4) CBI.—The term “CBI” means CBI Acqui-
12 sitions, LLC.

13 (5) RESORT.—The term “Resort” means
14 Caneel Bay Resort on the island of St. John in Vir-
15 gin Islands National Park.

16 **SEC. 2. LEASE AGREEMENT.**

17 (a) AUTHORIZATION.—The Secretary may enter into
18 a lease agreement with CBI governing the use of property
19 for the continued management and operation of the Re-
20 sort.

21 (b) ADDITIONAL LANDS.—Any lease entered into
22 pursuant to this Act shall include the property covered by
23 the RUE and any associated property owned by CBI ~~do~~ conveyed
24 ~~not~~ to the National Park Service.

25 (c) TERMS.—The lease agreement authorized under
26 subsection (a) shall—

*Just 7 things to protect
the public interest*

3

1 (1) require that operations ^{ed} and maintenance of
2 the Resort are conducted in a manner consistent *with the purposes*
3 with the preservation and conservation of the re- *of the park*
4 sources and values of the Park as well as the best
5 interests of the Resort;

6 (2) be for the minimum number of years prac-
7 ticable to enable the lessee to secure financing for
8 any necessary improvements to the Resort, taking
9 into account the financial obligations of CBI, but in
10 any event shall not exceed 40 years;

11 (3) prohibit any transfer, assignment or sale of
12 the lease or otherwise convey or pledge any interest
13 in the lease without prior written notification to and
14 approval by the Secretary;

15 (4) prohibit any increase in the number of
16 guest accommodations available at the Resort;

17 (5) prohibit any increase in the overall size of
18 the Resort;

19 (6) prohibit the sale of partial ownership shares
20 or timeshares in the Resort;

21 (7) be designed to facilitate transfer of all prop-
22 erty covered by the lease to Federal administration } *do they*
23 upon expiration of the lease; and } *mean operation?*

1 (8) include any other provisions determined by
 2 the Secretary to be necessary to protect the Park
 3 and the public interest.

4 (d) APPRAISALS.—The Secretary shall require ap-
 5 praisals to determine the fair market value of all property
 6 covered by the RUE and any property, including the value,
 7 if any, of the surrendered term of the RUE, owned by
 8 CBI to be donated, or otherwise conveyed, to the National
 9 Park Service. Such appraisals shall be conducted pursuant
 10 to the Uniform Appraisal Standards for Federal Land Ac-
 11 quisition.

12 (e) COMPENSATION.—

13 (1) IN GENERAL.—The lease authorized by this
 14 Act shall—

15 (A) require payment to the United States
 16 of the property's fair market value rent, ^{el?} taking
 17 into account the value of any associated prop-
 18 erty transferred by CBI as well as the value, if
 19 any, of the surrendered term of the RUE;

20 (B) include a provision—

21 (i) allowing recalculation of the
 22 amount of the payment required under this
 23 subsection, at the request of the Secretary
 24 or CBI, in the event of extraordinary un-
 25 anticipated changes in conditions antici-

1 pated at the time the lease was finalized;
2 and

3 (ii) providing for binding arbitration
4 in the event the Secretary and CBI are un-
5 able to agree upon an adjustment to the
6 payment in these circumstances.

7 (2) DISTRIBUTION.—Eighty percent of the pay-
8 ment to the United States required by this sub-
9 section shall be available to the Secretary, without
10 further appropriation, for expenditure within the
11 Park. The remaining twenty percent shall be depos-
12 ited in the Treasury.

13 (3) APPLICABILITY OF CERTAIN LAW.—Section
14 321 of the Act of June 30, 1932 (40 U.S.C. 1302),
15 relating to the leasing of buildings and property of
16 the United States, shall not apply to the lease en-
17 tered into by the Secretary pursuant to this Act.

18 **SEC. 3. RETAINED USE ESTATE.**

19 As a condition of the lease, CBI shall relinquish to
20 the Secretary all rights under the RUE and transfer, with-

1 out compensation, ownership of improvements covered by
2 the RUE to the United States.

Passed the House of Representatives March 4,
2008.

Attest: LORRAINE C. MILLER,
Clerk.

By DEBORAH M. SPRIGGS,
Deputy Clerk.

**Proposed Amendments to H.R. 1143, Virgin Islands Lease Authorization—
Caneel Bay Resort**
(HR 1143 as referred to Senate Energy and Natural Resources Committee)

SECTION 1. DEFINITIONS

Page 2: Insert the following after line 8:

“(3) PROPERTY COVERED BY THE RUE.—The term ‘property covered by the RUE’ means the land described in the RUE and all improvements thereon. Renumber the definitions that follow accordingly.”

Explanation: Including this definition will help clarify what property Congress is describing.

SECTION 2. LEASE AGREEMENT

Section 2(b)

Page 2, lines 22-23: Strike “donated” and insert “and donated or otherwise conveyed”.

Explanation: This change provides for a broader range of options for transferring property from CBI to the National Park Service, and it is consistent with the terms used in Section 2(d).

Section 2(d):

Page 4, lines 6-9: Strike “and any property, including the value, if any, of the surrendered term of the RUE, owned by CBI to be donated, or otherwise conveyed, to the National Park Service” and insert “of any associated property owned by the CBI which may be donated or otherwise conveyed to the National Park Service, and of the value, if any, of the surrendered term of the RUE.”

It would then read as follows:

The Secretary shall require appraisals to determine the fair market value of all property covered by the RUE, of any associated property ~~owned by the CBI~~ which may be donated or otherwise conveyed to the National Park Service, and of the value, if any, of the surrendered term of the RUE.

Explanation: This is minor rewording to remove ambiguity and to clarify that the fair market value appraisals should cover: 1) the property covered by the RUE, 2) associated property owned by CBI which may be conveyed to NPS, and 3) the value, if any, of the surrendered term of the RUE.

Section 2(e)(1)(A):

Page 4, line 17-18: after "account" strike "the value of any associated property transferred by CBI" and insert "the terms of the lease and, as appropriate, the value of any associated property conveyed by CBI to the National Park Service".

It would then read as follows:

(1) *IN GENERAL.*—The lease authorized by this Act shall—

(A) require payment to the United States of the property's fair market value rent, taking into account the terms of the lease and, as appropriate, the value of any associated property conveyed by CBI to the National Park Service as well as the value, if any, of the surrendered term of the RUE.

Explanation: This amendment would allow other factors relevant to the transaction between NPS and CBI, not just the ones identified in the legislation, to be used in determining the appropriate payment to the United States by the lessee. In addition, the amendment contains minor changes for clarification purposes: "convey" is the term used elsewhere in the bill for changing ownership of property, and "to the National Park Service" identifies the recipient of the property.

Section 2(e)(2):

Page 5: Strike lines 7-12 and insert the following:

"(2) **DISTRIBUTION OF PROCEEDS.**—Proceeds from payment to the United States required by this subsection shall be available to the Secretary until expended, without further appropriation, for infrastructure needs at the Park including facility refurbishment, repair, and replacement, and projects associated with park resource protection."

retained for use at the park

Explanation: This amendment would change the disposition of the proceeds from lease payments: instead of the park keeping 80 percent and returning 20 percent to the Treasury, the park would keep 100 percent of the proceeds but could use the funds only for infrastructure needs. This would make the disposition of proceeds from this lease consistent with that of leased facilities at other park units.

Section 3: RETAINED USE ESTATE

Strike line 18 on page 5 through line 2 on page 6 and insert the following:

"Prior to the awarding of the lease referred to in Section 2, CBI shall terminate, extinguish, and surrender to the Secretary all rights under the RUE and transfer, without compensation, ownership of improvements thereon to the National Park Service."

As a condition pertaining into the lease and won't be seen as a taking

Explanation: As a technical matter, NPS cannot lease property that it does not own, so the RUE needs to be terminated and surrendered prior to the award of the lease. As a

practical matter, the surrender of the RUE and the awarding of the lease would occur as coordinated transactions. The terms "terminate" and "extinguish" track the language of the Indenture, the original RUE document. "Surrender" is the term used elsewhere in the bill.

ISSUES FOR DISCUSSION

Section 2(c): Terms of the Lease

Section 2(c)(1): "as well as the best interests of the Resort".

Discussion: Section 2(c)(1) ensures that the lease requires that the facility be operated in a way that is consistent with preservation of resources and park values, which is consistent with language in the National Park Service's generic leasing authority. This section departs from the generic leasing authority by adding "as well as the best interests of the Resort."

Option 1: Strike the phrase.

Option 2: Strike the phrase and insert:

"while taking into account the need for the Resort to remain financially viable."

[This option, or similar language, would acknowledge the need for maintaining the viability of the resort without referring to their "best interests" (a vague term that the owner could use to argue for the largest possible profits) or putting those "best interests" on equal footing with park resources and values.]

Section 2(c)(2): "taking into account the financial obligations of CBI".

Discussion: The term "financial obligations" is very general and could bring into negotiations on the lease factors that are inappropriate and/or irrelevant, such as CBI's debt from business dealings outside the resort. It is not really necessary to include that phrase, because the bottom line of Section 2(c)(2) is the determination of the number of years on the lease the lessee needs to obtain financing, and the current financial position of the lessee would be a factor in making that determination.

Option 1: Strike the phrase.

Option 2: Strike the phrase and insert:

"taking into account the costs associated with operating the Resort"

[This option would give the lessee the assurance that their financial obligations receive consideration as the length of time for the lease is being negotiated—but would focus those obligations on the cost of operating the resort, rather than on any obligations anywhere or in any form that CBI might have.]

Section 2(e)(1): Compensation

Discussion: 2(e)(1)(b) requires the lease to provide for recalculation of the payment from CBI to the Federal government in the event of extraordinary unanticipated changes in conditions anticipated at the time the lease was finalized, and for binding arbitration if agreement cannot be reached. It may not be necessary to include this in the legislation, since this type of provision could be determined through negotiations on the lease. If paragraph (b) were to be struck, paragraph (a) would need to be amended as follows:

Strike line 13 on Page 4 through line 6 on page 5 and insert the following:

"(1) IN GENERAL.— The lease authorized by this Act shall require payment to the United States of the property's fair market value rent, taking into account the terms of the lease and, as appropriate, the value of any associated property conveyed by CBI to the National Park Service as well as the value, if any, of the surrendered term of the RUE."

[This is identical to amendment to Section (2)(e)(1)(a) in the first part of this document except for the restructuring to accommodate removal of paragraph (b).]

NEW SUBSECTION: Congressional Notification

Discussion: Under concessions law, large concession contracts are submitted to the authorizing committees with jurisdiction over the National Park Service for a 60-day review period before they are awarded. No such provision exists under the leasing law. However, this would be a sole-source lease, and it has the potential to be controversial. If Congress wanted to provide the same guarantee of review that exists for large concession contracts, an additional subsection could be added, as follows:

Page 5: Insert the following after line 17:

"(f) CONGRESSIONAL NOTIFICATION.—The Secretary shall submit the proposed lease to the Committee on Natural Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate. The Secretary shall not award the lease until 60 days subsequent to the notification of both committees."

✓ = kept on "proposed amendments" list

**Proposed Amendments to H.R. 1143, Virgin Islands Lease Authorization—
Caneel Bay Resort**
(HR 1143 as referred to Senate Energy and Natural Resources Committee)

✓ SECTION 1. DEFINITIONS

Page 2: Insert the following after line 8:

"(3) PROPERTY COVERED BY THE RUE.—The term 'property covered by the RUE' means the land described in the RUE and all improvements thereon. Renumber the definitions that follow accordingly.

Explanation: Including this definition will help clarify what property Congress is describing.

SECTION 2. LEASE AGREEMENT

Section 2(b)

✓ **Page 2, lines 22-23: Strike "donated" and insert "and donated or otherwise conveyed".**

Explanation: This change provides for a broader range of options for transferring property from CBI to the National Park Service, and it is consistent with the terms used in Section 2(d).

Section 2(c)(1):

Page 3, lines 4-5: Strike "as well as the best interests of the Resort"

While taking into consideration the need for the financial viability of the resort

Explanation: It is appropriate in this type of legislation to ensure that the lease requires that the facility be operated in a way that is consistent with preservation of resources and park values. That part of the provision is consistent with language in the National Park Service's generic leasing authority. It is not necessary or appropriate for Congress to require the lease to be operated in the best interests of the resort.

Section 2(c)(2):

Page 3, lines 8-9: Strike "taking into account the financial obligations of CBI,".

Explanation: It is not necessary to state in the legislation that the financial obligations of the CBI will be considered in determining the lessee's ability to obtain financing; that is a given part of making that determination.

not sure @ explanation

✓ Section 2(d):

Page 4, lines 6-9: Strike "and any property, including the value, if any, of the surrendered term of the RUE, owned by CBI to be donated, or otherwise conveyed,

to the National Park Service" and insert "of any associated property owned by the CBI which may be to be donated or otherwise conveyed, and of the surrendered term of the RUE."

Explanation: This is minor rewording to remove ambiguity and to clarify that the appraisals should cover: 1) the property covered by the RUE, 2) associated property owned by CBI which may be conveyed to NPS, and 3) the value of the surrendered term of the RUE.

Section 2(e)(1):

Strike line 12 on Page 4 through line 6 on page 5 and insert the following:

"our amendment and issue for discussion"
"(1) IN GENERAL.—The lease authorized by this Act shall require payment to the United States of the property's fair market value rent, taking into account the terms of the lease and, as appropriate, the value of any associated property conveyed by CBI to the National Park Service as well as the value, if any, of the surrendered term of the RUE."

Explanation: It is more appropriate to provide for a recalculation of the required payment as one of the terms of the lease, rather than as part of the legislation.

Section 2(e)(2):

✓ Page 5: Strike lines 7-12 and insert the following:

"(2) DISTRIBUTION OF PROCEEDS.—Proceeds from payment to the United States required by this subsection shall be available to the Secretary until expended, without further appropriation, for infrastructure needs at the Park."
Spelled out

Explanation: This amendment would change the disposition of the proceeds from lease payments: instead of the park keeping 80 percent and returning 20 percent to the Treasury, the park would keep 100 percent of the proceeds but could use the funds only for infrastructure needs. This would make the disposition of proceeds from this lease consistent with that of leased facilities at other park units.

Section 2(f): [NEW SUBSECTION]

Page 5: Insert the following after line 17:

"(f) CONGRESSIONAL NOTIFICATION.—The Secretary shall submit the proposed lease to the Committee on Natural Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate. The Secretary shall not award the lease until 60 days subsequent to the notification of both committees."

Explanation: This provision would allow review of the proposed lease prior to its award by the congressional committees of jurisdiction. It is nearly identical to the provision requiring congressional notification of awards of large concession contracts.

Section 3: Retained Use Estate

Strike line 18 on page 5 through line 2 on page 6 and insert the following:

"Prior to the awarding of the lease referred to in Section 2, CBI shall terminate, extinguish, and surrender to the Secretary all rights under the RUE and transfer, without compensation, ownership of improvements thereon to the National Park Service."

Explanation: As a technical matter, NPS cannot lease property that it does not own, so the RUE needs to be terminated and surrendered prior to the award of the lease. As a practical matter, the surrender of the RUE and the awarding of the lease would occur as coordinated transactions. The terms "terminate" and "extinguish" track the language of the Indenture, the original RUE document. "Surrender" is the term used elsewhere in the bill.



"Watkins, David"
<David.Watkins@mail.house.gov>
02/08/2008 04:00 PM
EST

To: <Don_Hellmann@nps.gov>
cc:
Subject: FW: NPS Language

Don --

Please review the language below, particularly the section I have underlined. Do we know where this language came from? If this is, in fact, something NPS drafted, it will be difficult for me to argue it should not be in this substitute.

David Watkins
Staff Director
Subcommittee on National Parks,
Forests and Public Lands
House Natural Resources Committee
(202) 226-7736 (ph)
(202) 226-2301 (f)
<http://resourcescommittee.house.gov/default.aspx>

-----Original Message-----

From: Howard Feldman [mailto:HJF@vnf.com]
Sent: Friday, February 08, 2008 3:56 PM
To: Watkins, David
Subject: NPS Language

David: In late November, when we were trying to make one last attempt to get the bill through markup before the end of the session, I exchanged drafts with the NPS. In the last draft I got from them they included the following: "The Secretary may adjust the rental amount due under such lease as appropriate to take into account the value of any associated property transferred from the holder of the retained use estate as part of this transaction, as well as the value of the surrendered term of the retained use estate." Obviously, they never came to a final draft but I believe this is still their position. Of course any value would depend on the appraisal and the negotiation of the parties. I'd be happy to discuss this with your further. Thanks again for all of your efforts. Howard.

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(*)

base
FMV
- cost property ✓
- cost imputed (303(b)) ✓
- cost release ✓

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Pam cell

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Facsimile

TO:

Pamela Barkin
NAME

November 15, 2007
DATE

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TIME

202-208-3877
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FROM:

Howard Feldman
NAME

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SPECIAL INSTRUCTIONS/MESSAGE:

Pamela - Don't know if you received the last
vial. Also enclose a copy of Email this morning.
Thanks for your help. I hope we get this done.
H

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ORIGINAL MESSAGE TO US AT THE ABOVE ADDRESS VIA THE U.S. MAIL.

Howard Feldman - Re: Caneel Legislation

Page 1

From: Howard Feldman
To: Pamela Barkin
Date: 11/14/07 7:01PM
Subject: Re: Caneel Legislation

Pamela: Thank you for the draft. I am sending you our revision which incorporates the very important points you made. However, we strongly urge you to keep the provision general in nature and work out any terms in the lease negotiation, at which time the DOI/NPS can propose any terms they desire. The critical issue is to get the appraisal released and determine whether a deal is possible. Thanks again for your assistance. Howard.

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>>> "Pamela Barkin" <pbarkin@gmail.com> 11/14/07 3:58 PM >>>
Howard,
Attached is proposed revised language for the Caneel transaction. The NPS has not signed off on this language, but I wanted you to have an opportunity to review, given the short time-frame. Give me a call with any questions (and I can respond subject to NPS review).
Thanks.
Pam

AS INTRODUCED

Notwithstanding any other provision of law, after the retained use estate at Virgin Islands National Park on the date of the enactment of this Act has been terminated and the improvements on such lands have been donated to the United States, the Secretary of the Interior may enter into a lease with the person holding the retained use estate on the date of the enactment of this Act for the use of such lands and improvements and any other associated property that is donated, exchanged or otherwise conveyed, on terms and conditions determined by the Secretary to be reasonable.

PROPOSED REVISION

In return for the early termination of the retained use estate at Virgin Islands National Park, the donation of the improvements on such lands to the United States, and the transfer to the United States of any associated property, the Secretary of the Interior may enter into a lease for the continued use of such lands, improvements, and any associated property, consistent with the provisions of 16 U.S.C.

Howard Feldman - Re: Caneel Legislation

Page 2

1a-2(k) and its implementing regulations, and subject to such terms and conditions determined by the Secretary to be reasonable. Notwithstanding the foregoing, (i) subsection 2(k)(2) thereof shall not apply to such lease; (ii) the Secretary may, without a request for bids or proposals, award such lease to the entity holding the retained use estate on the date of the enactment of this Act; and (iii) the Secretary may adjust the rental amount due under such lease as appropriate to take into account the value of any associated property transferred from the holder of the retained use estate as part of this transaction, as well as the value of the surrendered term of the retained use estate.

CC: Bruce Sheaffer; Jo Pendry

PROPOSED REVISION

In return for the early termination of the retained use estate at Virgin Islands National Park, the donation of the improvements on such lands to the United States, and the transfer to the United States of associated property, the Secretary of the Interior may enter into a lease for the continued use of such lands, improvements, and associated property, subject to such terms and conditions determined by the Secretary to be reasonable. Notwithstanding any other provision of law (i) the Secretary may, without a request for bids or proposals, award such lease to the entity holding the retained use estate on the date of the enactment of this Act; and (ii) the Secretary may adjust the rental amount due under such lease as appropriate to take into account the value of any associated property transferred from the holder of the retained use estate as part of this transaction, as well as the value of the surrendered term of the retained use estate.

Howard Feldman - Hearing/Bill Language

Page 1

From: Howard Feldman
To: Bruce Sheaffer; Jo Pendry; Pamela Barkin
Date: 11/15/07 9:43AM
Subject: Hearing/Bill Language

Although we came close, we were not able to get into today's full committee markup. We appreciate your efforts on the bill language and hope that we can reach consensus on language that works for everyone. We are looking at several options to see if we can have the bill moved by the end of the year. Accordingly, I would appreciate any comments or suggestions you might have on the revised language I sent to you last night. Thanks. Howard.

This communication may contain information that is legally privileged, confidential or exempt from disclosure. If you are not the intended recipient, please do not read, disseminate, distribute or copy this communication. Anyone who receives this message in error should notify the sender immediately by telephone or by return e-mail and delete it from his or her computer.

H.R. 1143, VI lease for
H.L.C. Caneel Bay

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 1143**

OFFERED BY MR. GRIJALVA OF ARIZONA

Strike all after the enacting clause and insert the
following:

1 SECTION 1. DEFINITIONS.

2 In this Act, the following definitions apply:

3 (1) SECRETARY.—The term “Secretary” means
4 the Secretary of the Interior.

5 (2) RUE.—The term “RUE” means the re-
6 tained use estate entered into by the Jackson Hole
7 Preserve and the United States on September 30,
8 1983.

9 (3) PARK.—The term “park” means Virgin Is-
10 lands National Park.

11 (4) CBI.—The term “CBI” means CBI Acqui-
12 sitions, LLC.

13 (5) RESORT.—The term “Resort” means
14 Caneel Bay Resort on the island of St. John in Vir-
15 gin Islands National Park.

16 SEC. 2. LEASE AGREEMENT.

17 (a) AUTHORIZATION.—The Secretary may enter into
18 a lease agreement with CBI governing the use of property

1 for the continued management and operation of the Re-
2 sort.

3 (b) ADDITIONAL LANDS.—Any lease entered into
4 pursuant to this Act shall include the property covered by
5 the RUE and any associated property owned by CBI do-
6 nated to the National Park Service.

7 (c) TERMS.—The lease agreement authorized under
8 subsection (a) shall—

9 (1) require that operations and maintenance of
10 the Resort are conducted in a manner consistent
11 with the preservation and conservation of the re-
12 sources and values of the Park as well as the best
13 interests of the Resort;

14 (2) be for the minimum number of years prac-
15 ticable to enable the lessee to secure financing for
16 any necessary improvements to the Resort, taking
17 into account the financial obligations of CBI, but in
18 any event shall not exceed 30 years;

19 (3) prohibit any transfer, assignment or sale of
20 the lease or otherwise convey or pledge any interest
21 in the lease without prior written notification to and
22 approval by the Secretary;

23 (4) prohibit any increase in the number of
24 guest accommodations available at the Resort;

1 (5) prohibit any increase in the overall size of
2 the Resort;

3 (6) prohibit the sale of partial ownership shares
4 or timeshares in the Resort;

5 (7) be designed to facilitate transfer of all prop-
6 erty covered by the lease to Federal administration
7 upon expiration of the lease; and

8 (8) include any other provisions determined by
9 the Secretary to be necessary to protect the Park
10 and the public interest.

11 (d) APPRAISALS.—The Secretary shall require ap-
12 praisals to determine the fair market value of all property
13 covered by the RUE and any property, ~~including the value,~~
14 ~~if any,~~ of the surrendered term of the RUE, owned by
15 CBI to be donated, or otherwise conveyed, to the National
16 Park Service. Such appraisals shall be conducted pursuant
17 to the Uniform Appraisal Standards for Federal Land Ac-
18 quisition and all costs of such appraisals shall be born by
19 CBI.

20 (e) COMPENSATION.—

21 (1) IN GENERAL.—The lease authorized by this
22 Act shall—

23 (A) require payment to the United States
24 of the property's fair market value rent, taking
25 into account the value of any associated prop-

erty transferred by CBI as well as the value, if any, of the surrendered term of the RUE;

(B) include a provision—

(i) allowing recalculation of the amount of the payment required under this subsection, at the request of the Secretary or CBI, in the event of extraordinary unanticipated changes in conditions anticipated at the time the lease was finalized; and

(ii) providing for binding arbitration in the event the Secretary and CBI are unable to agree upon an adjustment to the payment in these circumstances.

(2) DISTRIBUTION.—Eighty percent of the payment to the United States required by this subsection shall be available to the Secretary, without further appropriation, for expenditure within the Park. The remaining twenty percent shall be deposited in the Treasury.

(3) APPLICABILITY OF CERTAIN LAW.—Section 321 of the Act of June 30, 1932 (40 U.S.C. 1302), relating to the leasing of buildings and property of the United States, shall not apply to the lease entered into by the Secretary pursuant to this Act.

1 SEC. 3. RETAINED USE ESTATE.

2 As a condition of the lease, CBI shall relinquish to
3 the Secretary all rights under the RUE and transfer, with-
4 out compensation, ownership of improvements covered by
5 the RUE to the United States.

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 1143
OFFERED BY MR. GRIJALVA OF ARIZONA**

Strike all after the enacting clause and insert the following:

1 SECTION 1. DEFINITIONS.

2 In this Act, the following definitions apply:

3 (1) SECRETARY.—The term “Secretary” means
4 the Secretary of the Interior.

5 (2) RUE.—The term “RUE” means the re-
6 tained use estate entered into by the Jackson Hole
7 Preserve and the United States on September 30,
8 1983.

9 (3) PARK.—The term “park” means Virgin Is-
10 lands National Park.

11 (4) CBI.—The term “CBI” means CBI Acqui-
12 sitions, LLC.

13 (5) RESORT.—The term “Resort” means
14 Caneel Bay Resort on the island of St. John in Vir-
15 gin Islands National Park.

1 **SEC. 2. LEASE AGREEMENT.**

2 (a) **AUTHORIZATION.**—The Secretary may enter into
3 a lease agreement with CBI governing continued manage-
4 ment and operation of the Resort.

5 (b) **ADDITIONAL LANDS.**—Any lease entered into
6 pursuant to this Act shall include the property covered by
7 the RUE and any associated property owned by CBI do-
8 nated to the National Park Service.

9 (c) **TERMS.**—The lease agreement authorized under
10 subsection (a) shall—

11 (1) require that operations and maintenance of
12 the Resort are conducted in a manner consistent
13 with the preservation and conservation of the re-
14 sources and values of the Park as well as the best
15 interests of the Resort;

16 (2) be for the minimum number of years prac-
17 ticable to enable the lessee to secure financing for
18 any necessary improvements to the Resort;

19 (3) prohibit any transfer, assignment or sale of
20 the lease or otherwise convey or pledge any interest
21 in the lease without prior written notification to and
22 approval by the Secretary;

23 (4) prohibit any increase in the number of
24 guest accommodations available at the Resort;

25 (5) prohibit any increase in the overall size of
26 the Resort;

*NPS will take
over at end of
lease*

*What does this
mean? best
interests is they
pay low rent
+ have little
govt. oversight*

*Initial lease
only
What if they
want to keep
extending the
lease - 60 yrs.
in our*

*because bank
says he needs
more time*

1 (6) prohibit the sale of partial ownership shares
2 or timeshares in the Resort;

3 (7) be designed to facilitate transfer of all prop-
4 erty covered by the lease to Federal administration
5 upon expiration of the lease; and

6 (8) include any other provisions determined by
7 the Secretary to be necessary to protect the Park
8 and the public interest.

9 (d) APPRAISALS.—The Secretary shall require ap-
10 praisals to determine the fair market value of all property
11 covered by the RUE and any property owned by CBI to
12 be donated ^{or otherwise conveyed} to the National Park Service. Such appraisals
13 shall be conducted pursuant to the Uniform Appraisal
14 Standards for Federal Land Acquisition and all costs of
15 such appraisals shall be born by CBI.

16 (e) COMPENSATION.—

17 (1) IN GENERAL.—The lease authorized by this
18 Act shall—

19 (A) require payment to the United States
20 ~~at a fee or other monetary consideration~~ ^{of consideration} based
21 on—

22 (i) the probable value to CBI of the
23 privileges granted by the lease; and

*fair market value instead
into account the value*

*provide for payment
for fair mkt value sent provided
that can take into acct. value*

H.L.C.

*property as well as
value of retained
use estate*

*no real property
will be transferred
does this mean bldg
+ kitchen equipment?*

*exempt from
303(b) so
we can offset
rental cost
by value of
property (bldg)
we get prop. at
beginning of
process*

*so we can
reflect that
in rental value*

*Lessee can
maintain bldg
\$ paying dollars*

*leasing of bldg space
for money only*

(ii) a reasonable opportunity for net profit in relation to capital invested and the obligations of the lease; and

(B) include a provision—

(i) allowing recalculation of the amount of the payment required under this subsection, at the request of the Secretary or CBI, in the event of extraordinary unanticipated changes in conditions anticipated at the time the lease was finalized; and

(ii) providing for binding arbitration in the event the Secretary and CBI are unable to agree upon an adjustment to the payment in these circumstances.

(2) DISTRIBUTION.—Eighty percent of the payment to the United States required by this subsection shall be available to the Secretary, without further appropriation, for expenditure within the Park. The remaining twenty percent shall be deposited in the Treasury.

SEC. 3. RETAINED USE ESTATE.

As a condition of the lease, CBI shall ~~agree at the~~ ^{relinquish} ~~time of the lease's execution to relinquish~~ to the Secretary

*we want ability
to retain
funds &
approp. -
still a
negotiating
pt. - NBS*

*may need to
hire someone
to oversee the
K - may get
some cash for
this.*

- 1 all rights under the RUE and to transfer ownership of
- 2 improvements covered by the RUE to the United States, *without compensation.*

Don Hellmann
02/06/2008 01:34 PM
EST

To: Bruce Sheaffer/AOC/NPS@NPS
cc: Jo Pendry/WASO/NPS@NPS
Subject: Re: Fw: caneel

Bruce:

I had a long (emphasis on long) conversation with Pam Barkin about this and I think my ears were bleeding by the end of the discussion. I have subsequently spoken with David Watkins and he is awaiting word from the Caneel Bay folks before making further revisions.

With regard to the compensation provision, I understand your concern about the 80/20 split language if we receive property. Pam pointed out that we might get both property and some money (she mentioned wanting to get some money that the concessions people could use to hire someone to oversee the leave). Thus, she suggested leaving that 80/20 split language in to deal with how we use the money we receive. However, after my conversation with David, I was wondering if we need further changes. Pam suggested taking out the language on p. 3, line 20, "of a fee or other monetary consideration" and just say "require payment to the United States of consideration based on". If the language reads that way, could property be considered "consideration" (without being too redundant). If not, would it be clearer to say "require payment to the United States of consideration, including the transfer or donation of property, based on....."?

Further, should the distribution section be modified to say "Eighty percent of any cash payments..." or "Eighty percent of the payment (not including the value of any property transferred or donated....."?

Do we even want the 80/20 split? Should it be 100% going back to the park?

Any thoughts you had would be appreciated.

Don

Don Hellmann
Office of Legislative and Congressional Affairs
National Park Service
1849 C Street, N.W., Room 7257
Washington, D.C. 20240

Phone 202-208-5656
Fax: 202-208-5683
E-mail: Don_Hellmann@nps.gov

Bruce Sheaffer

Bruce Sheaffer
02/05/2008 07:57 AM
EST

To: Don_Hellmann@nps.gov@NPS
cc: Jo Pendry/WASO/NPS@NPS
Subject: Re: Fw: caneel

Don, SOL will have to comment, but it looks quite good to me except for the 80% provision. It is very possible.. in fact likely that the compensation we will receive from the lease will come in the form of land that they own outside the estate that we very much want.. returning 20% to the treasury would not work under those circumstances.. this mimics fee language. This is more like land sale or exchange authorization.
Don Hellmann

Don Hellmann

To: Bruce_Sheaffer@nps.gov

Don Hellmann
02/06/2008 01:34 PM
EST

To: Bruce Sheaffer/AOC/NPS@NPS
cc: Jo Pendry/WASO/NPS@NPS
Subject: Re: Fw: canoe

Bruce:

I had a long (emphasis on long) conversation with Pam Barkin about this and I think my ears were bleeding by the end of the discussion. I have subsequently spoken with David Watkins and he is awaiting word from the Canoe Bay folks before making further revisions.

With regard to the compensation provision, I understand your concern about the 80/20 split language if we receive property. Pam pointed out that we might get both property and some money (she mentioned wanting to get some money that the concessions people could use to hire someone to oversee the leave). Thus, she suggested leaving that 80/20 split language in to deal with how we use the money we receive. However, after my conversation with David, I was wondering if we need further changes. Pam suggested taking out the language on p. 3, line 20, "of a fee or other monetary consideration" and just say "require payment to the United States of consideration based on". If the language reads that way, could property be considered "consideration" (without being too redundant). If not, would it be clearer to say "require payment to the United States of consideration, including the transfer or donation of property, based on....."?

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Phone 202-208-5656
Fax: 202-208-5683
E-mail: Don_Hellmann@nps.gov

Bruce Sheaffer

Bruce Sheaffer
02/05/2008 07:57 AM
EST

To: Don_Hellmann@nps.gov@NPS
cc: Jo Pendry/WASO/NPS@NPS
Subject: Re: Fw: canoe

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Don Hellmann

Don Hellmann

To: Bruce_Sheaffer@nps.gov

02/04/2008 05:15 PM
EST

CC:
Subject: Fw: caneel

Bruce:

Could you review this and let me know what you think? David sent it to me and needs feedback ASAP. I also sent to Jo Pendry. He asked that we not share it with the Caneel Bay people at this time as he wants to hear from us first. Thanks.

Don

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National Park Service
1849 C Street, N.W., Room 7257
Washington, D.C. 20240

Phone 202-208-5656
Fax: 202-208-5683
E-mail: Don_Hellmann@nps.gov

----- Forwarded by Don Hellmann/WASO/NPS on 02/04/2008 05:14 PM -----



"Watkins, David"
<David.Watkins@mail.house.gov>

To: <Don_Hellmann@nps.gov>
cc:
Subject: caneel

02/04/2008 05:09 PM
EST

As discussed.

This is an attempt to take NPS testimony from the hearing and the latest letter from the Foundation and reduce those comments to legislative language.

Let me know your thoughts as soon as you can.

Thanks.

David Watkins
Staff Director
Subcommittee on National Parks,
Forests and Public Lands
House Natural Resources Committee
(202) 226-7736 (ph)
(202) 226-2301 (f)

<http://resourcescommittee.house.gov/default.aspx>



caneelANS.pdf

H.R. 1143, Caneel Bay Lease Authorization Act
Proposed amendments to Senate Substitute Amendment (WE108649)

Section 2

- 1) Page 2, line 16: strike "1983." and insert "1983 as amended, assigned, and assumed."

Section 3

- 2) Page 3, line 1: insert "with the owner of the retained use estate" after "lease".
- 3) Page 4, line 9: strike "and".
- 4) Page 4, line 10: redesignate "(5)" as "(6)" and insert the following new subparagraph:
"(5) include provisions to ensure protection of the natural, cultural, and historic features of the resort and associated property, consistent with laws and policies applicable to property managed by the National Park Service; and".
- 5) Page 5, line 2: strike "effective date" and insert "award".
- 6) Page 5, lines 17: strike "et seq.)." and insert "et seq.), or with a successor authority governing commercial services in national park units.
- 7) Page 6, line 7: strike "that" and insert "who".

Explanation

Amendments #1, 2, 5, and 7 are minor technical amendments for purposes of clarifying the meaning of the wording in the legislation. Amendment #3 is a technical change necessitated by amendment #4.

Amendment #4 provides specific instructions that the provisions of the lease must ensure that critical resources on the resort property are protected consistent with park values.

Amendment #6 helps ensure that, in the event that the Concessions Management Improvement Act of 1998 has been replaced by a new authority governing commercial services in national parks by the time the authorized lease is terminated, the National Park Service will not be required to comply with an outdated law.

*proposed
amendments
in red.*

AMENDMENT NO.

Calendar No.

Purpose: To provide a complete substitute.

IN THE SENATE OF THE UNITED STATES—110th Cong., 2d Sess.

H. R. 1143

To authorize the Secretary of the Interior to lease certain lands in Virgin Islands National Park, and for other purposes.

Referred to the Committee on _____ and
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT IN THE NATURE OF A SUBSTITUTE intended
to be proposed by

Viz:

1 Strike all after the enacting clause and insert the fol-
2 lowing:

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Caneel Bay Lease Au-
5 thorization Act".

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

1 (1) ASSOCIATED PROPERTY.—The term “asso-
2 ciated property” means real property on the island
3 of St. John that is—

4 (A) owned by the owner of the retained use
5 estate; and

6 (B) related to the operation of the resort.

7 (2) PARK.—The term “Park” means Virgin Is-
8 lands National Park.

9 (3) RESORT.—The term “resort” means the
10 Caneel Bay resort on the island of St. John in Vir-
11 gin Islands National Park.

12 (4) RETAINED USE ESTATE.—The term “re-
13 tained use estate” means the retained use estate for
14 the Caneel Bay property on the island of St. John
15 entered into between the Jackson Hole Preserve and
16 the United States on September 30, 1983^x *as amended, assigned,*
and assumed.

17 (5) SECRETARY.—The term “Secretary” means
18 the Secretary of the Interior.

19 **SEC. 3. LEASE AUTHORIZATION.**

20 (a) DETERMINATION AND AUTHORIZATION.—

21 (1) IN GENERAL.—If the Secretary determines
22 that the long-term benefit to the Park will be great-
23 er by entering into a lease with the owner of the re-
24 tained use estate than by authorizing a concession
25 contract upon the termination of the retained use es-

*with the owner of the
retained use estate.*

1 tate, the Secretary may enter into a lease for the op-
2 eration and management of the resort.

3 (2) ASSOCIATED PROPERTY.—The Secretary
4 may—

5 (A) acquire associated property from the
6 owner of the retained use estate; and

7 (B) after acquisition, administer the asso-
8 ciated property as part of the Park.

9 (b) AUTHORITY.—Except as otherwise provided by
10 this Act, a lease entered into under this Act shall be in
11 accordance with section 3(k) of Public Law 91-383 (16
12 U.S.C. 1a-2(k)), notwithstanding paragraph (2) of that
13 subsection.

14 (c) TERMS AND CONDITIONS.—A lease authorized
15 under this Act shall—

16 (1) be for a term of the minimum number of
17 years practicable, taking into consideration the need
18 for the lessee to secure financing for necessary cap-
19 ital improvements to the resort, but not to exceed 40
20 years;

21 (2) prohibit any transfer, assignment, or sale of
22 the lease or other conveyance or pledge of any inter-
23 est in the lease without prior written notification to,
24 and approval by, the Secretary;

1 (3) ensure that the general character of the re-
2 sort property remains unchanged, including a prohi-
3 bition against—

4 (A) any increase in the overall size of the
5 resort; or

6 (B) any increase in the number of guest
7 accommodations available at the resort;

8 (4) prohibit the sale of partial ownership shares
9 or timeshares in the resort; and

10 (5) include any other provisions determined by
11 the Secretary to be necessary to protect the Park
12 and the public interest.

13 (d) RENTAL AMOUNTS.—In determining the fair
14 market value rental of the lease required under section
15 3(k)(4) of Public Law 91-383 (16 U.S.C. 1a-2(k)(4)), the
16 Secretary shall take into consideration—

17 (1) the value of any associated property con-
18 veyed to the United States; and

19 (2) the value, if any, of the relinquished term
20 of the retained use estate.

21 (e) USE OF PROCEEDS.—Rental amounts paid to the
22 United States under a lease entered into under this Act
23 shall be available to the Secretary, without further appro-
24 priation, for visitor services and resource protection in the
25 Park.

(5) include provisions to ensure protection of the natural, cultural, and historic features of the property, consistent with laws and policies applicable to property managed by the National Park Service; and

1 (f) CONGRESSIONAL NOTIFICATION.—Not less than
2 60 days before the ^{award} ~~effective date~~ of a proposed lease under
3 this Act, the Secretary shall submit to the Committee on
4 Energy and Natural Resources of the Senate and the
5 Committee on Natural Resources of the House of Rep-
6 resentatives a copy of the proposed lease.

7 (g) RENEWAL.—

8 (1) IN GENERAL.—A lease entered into under
9 this Act may not be extended or renewed.

10 (2) CONTINUATION OF COMMERCIAL SERV-
11 ICES.—On the termination of a lease entered into
12 under this Act, if the Secretary determines the con-
13 tinuation of commercial services at the resort to be
14 appropriate, the services shall be provided in accord-
15 ance with the National Park Service Concessions
16 Management Improvement Act of 1998 (16 U.S.C.

17 5951 et seq.), *or with a successor authority governing*
commercial services in
18 **SEC. 4. RETAINED USE ESTATE.** *national park units.*

19 (a) IN GENERAL.—As a condition of entering into a
20 lease under this Act, the owner of the retained use estate
21 shall—

22 (1) terminate, extinguish, and relinquish to the
23 Secretary all rights under the retained use estate;
24 and

1 (2) transfer, without consideration, ownership
2 of improvements on the retained use estate to the
3 National Park Service.

4 (b) APPRAISAL.—

5 (1) IN GENERAL.—The Secretary shall require
6 an appraisal by an independent, qualified appraiser
7 ^{who}~~that~~ is agreed to by the Secretary and the owner of
8 the retained use estate to determine the value, if
9 any, of the relinquished term of the retained use es-
10 tate.

11 (2) REQUIREMENTS.—An appraisal under para-
12 graph (1) shall be conducted in accordance with—

13 (A) Uniform Appraisal Standards for Fed-
14 eral Land Acquisitions developed by the Inter-
15 agency Land Acquisition Conference; and

16 (B) the Uniform Standards of Professional
17 Appraisal Practice.