

DPL Scholarship Essay Contest 2021

November 14, 2021

2021 Department of Public Lands Scholarship Essay Contest

Essay Prompt- "What can the CNMI do to strike a sustainable balance between land preservation and land development?"

Concentrate Development Through the Homestead Act

The CNMI is lacking in the most vital resource for economic development – land. This issue begs the question, how can the CNMI sustainably develop the island while preserving its beauty? The Homestead Division under The Department of Public Lands is responsible for granting persons of Northern Marianas Descent portions of public lands, which is a monumental task with the limited availability of public land. According to The Department of Public Land's 2021 citizen-centric report, there are currently 2,138 applicants awaiting available lots, and the As Gonno subdivision project predicts to accommodate 300 village lots (Department of Public Lands 2020, 2021). With only 38% of public land left unused on Saipan, there is little room for continued development through the Homestead Act. Perhaps the Homestead Division could instead take on a more concentrated urban strategy to developing land rather than a sprawling suburban strategy. This idea could potentially double the number of lots available per project area.

To receive free property at government expense is a luxury, and at the current pace, there may not be enough supply of public land to comfortably meet the demand of applicants, let alone future generations. By increasing the concentration of homestead areas, the Homestead Division may have an easier time supplying the increasing demand of people in need of housing while preserving rural and unused public land. Meeting the housing demand may have long-term benefits that outweigh costs, such as long-term population growth, increased labor productivity

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around urban areas, or increased output in the economy. By concentrating homestead areas, the Homestead Act will supply adequate housing that the people of the CNMI deserve.

“Smart growth,” an idea proposed by Maryland’s 1997 legislation, concentrates development into growth areas and allows for the preservation of “hundreds of thousands of acres of rural lands (Daniels, T. L., & Lapping, M. 2005).” Concentrating development in homestead areas will meet the demand for more individuals, continue the preservation of our precious public lands, and combat sprawling. Sprawl leads to multiple economic detriments such as increased automobile dependency and increased unorganized development of suburban areas. The legislation that proposed smart growth “offered the promise of continued development and economic growth coupled with environmental improvement and greater social integration (Daniels, T. L., & Lapping, M. 2005).” Smart growth allows for the preservation of rural lands and natural areas and combats sprawling, which is America’s number one issue with land use. By increasing concentration in homestead areas, The Department of Public Lands will allow for a smart and controlled way to develop our limited public lands.

There are positive and negative repercussions for developing an urban area. Although there is a tradeoff to the quantity of land supplied to an individual, there may be a way to incentivize homestead owners. With regulations in place, urban areas can be utilized to either drive economic development or contract it. A less flexible supply of housing creates economic costs and deadweight loss, and over time will drive housing prices up (Nunns, P., & Denne, T. 2016). Perhaps by allowing more flexibility to owners of homesteads, such as decreased rental regulations, owners may participate in more market activities. Controlling regulations of homesteads will increase development around surrounding areas instead of expanding to more

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public land. The increased activities incentivize others to settle around homesteads, allowing housing and business markets to flourish.

Striking a balance between land preservation and land development is an issue the entire world is trying to solve, but the issue is much more urgent on a tiny island. With proper incentives, smart regulations, and efficient land usage, homestead areas can become a bustling region for economic prosperity. The current supply of available public land is decreasing rapidly, but urbanization offers a possible solution that will strike a balance between land preservation and land development in the CNMI.