

Posted on: Thursday, January 10, 2008

No rent break for Mighty Mo' in Hawaii

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WASHINGTON — The Navy has rejected a request to lower the \$207,600 annual rent for the Battleship Missouri Memorial's dock space at Pearl Harbor.

Navy officials say the law requires them to charge fair-market rent for the historic battleship's berth.

"I'm disappointed," said Rep. Neil Abercrombie, D-Hawai'i, who requested a nominal rent only. "I'm asking the Navy to reconsider its decision."

The refusal to cut the rent comes as the nonprofit that operates the ship-turned-museum is facing a multimillion-dollar maintenance bill for its biggest overhaul since the Missouri came to Pearl Harbor in 1998.

"The request for rent reduction wasn't directly linked to that, but any money you can save on it can go toward maintenance and improvements," said museum spokesman Keith DeMello.

Since the original three-year lease was signed, the museum has paid more than \$1.5 million in "fair-market value" rent, according to museum officials. In 2005, the last time the lease was renewed, rent was increased 12 percent to \$17,300 a month.

"The Missouri does do well financially and was able to pay off \$5 million in loans from local banks within its first five years here, but there are some big-ticket needs coming up that any naval ship would face," DeMello said.

The ship needs rust control and painting on the superstructure above the main deck. Nearly 53,000 square feet of teak deck planking needs replacing. The underwater portion of the hull needs recoating, which could require drydocking.

MILLIONS IN REPAIRS

Officials estimate that drydocking and lower-hull repainting could run \$5 million to \$8 million, superstructure rust control and painting may cost \$1 million, and the decking could be anywhere from \$5 million to \$15 million.

A national fundraising campaign will be mounted to pay for it.

Abercrombie said the nonprofit that runs the memorial, which includes the battleship, is doing "a great service" by providing access to the battleship. He said the group depends on admission fees and donations to maintain and preserve the ship, on which Japan formally surrendered to end World War II.

The Missouri sees about 400,000 visitors a year and operates on a \$7 million annual budget, according to a fact sheet released by museum officials. More than \$5 million has been spent on maintenance and upkeep of the ship since 1998.

DeMello said an assessment of the ship's needs is ongoing. Last year, museum officials hired Massachusetts-based Ocean Technical Services for \$200,000 to do a complete maintenance check. In November, divers started checking the hull while other members of Ocean Tech have been looking topside and in tanks and other crevices.

"The physical assessments are nearly complete," DeMello said. "But results and data are still being evaluated. The assessment will allow us to come up with a long-term maintenance plan for the Missouri.

"As far as the rent, the Missouri will continue to pay more than \$200,000 rather than use the funds for maintenance and other needs."

BJ Penn, assistant secretary of the Navy for installations and environment, said in a Dec. 21 letter that the law requires the Navy be paid fair-market value for its property.

"The statute does not provide authority for the Navy to waive or reduce this requirement," Penn said.

Penn also said the current lease was modified to allow the nonprofit group to provide in-kind services as lease payments. Those include hosting Navy functions, such as changes of command or retirements, and allowing the ship to be used for dive training.

Since the current lease is due for renewal this year, the Navy is obtaining a new appraisal to determine the fair-market value, Penn said.

Abercrombie said the lease payments could be reduced if the Navy determines that a public interest is served.

OTHER ACTIONS

In addition to the in-kind services the Navy cites, Abercrombie said, federal law also includes a number of other actions that can be used as alternatives to lease payments, such as maintenance, protection, repair, improvement or restoration work, Abercrombie said.

The USS Missouri Memorial Association has leased Navy property at Pier Foxtrot-5 on Ford Island for the battleship since June 1998.

The nonprofit Pacific Fleet Submarine Memorial Association operates the USS Bowfin Submarine Museum Park on Navy land but pays only \$1 a year for its lease because it was set before the federal law allowing lease payments was established.

The USS Arizona and USS Oklahoma memorials are not affected because they are part of the National Park Service.