# FACA MEETING – February 3, 2017

Executive Summary:

Superintendent Jennifer Nersesian opened the meeting and Stacie Smith (Facilitator) provided a quick review of previous actions and the agenda. Jen Nersesian provided a park update that provided status on various Hurricane Sandy Recovery projects, Monmouth County's proposal on Buildings #23 and #56, seal season, new dispatch facility on Fort Wadsworth, options regarding purchase of a stockpile of "butter" colored bricks for historic building restoration and the hiring of a new facility manager at Fort Hancock/Sandy Hook. She gave the committee a brief update on the impacts of the current hiring freeze and NPS operations for the coming season.

Pam McLay, the Chief of the GATE Business Services Division, provided an update on leasing actions. This included status of Letters of Intent (LOI) regarding eight buildings and the potential of another three buildings as their proposals are evaluated. There was discussion about the ability to continue to submit proposals even though a specific building was under proposal review. These questions were answered by Pam McLay and other members of the NPS team (see minutes). Pam McLay showed the committee a recent Letter of Intent and a matrix containing Fair Market Value assessments and status for each building in the leasing program. There was discussion of Middletown Tax authority and potential for legislative relief (see details in minutes). Jen Nersesian stated that NPS will provide updates to Middletown and the Committee regarding these requests for legislative relief.

David Hoder spoke to the committee (at the invitation of the NPS and Gerry Glaser) regarding options for moorings at Fort Hancock. The information provided outlined the process and required agency engagement for moorings to become a reality.

Marilou Ehrler provided an overview of the NPS Climate Change strategy (see details in minutes). It is noted that one of the case studies in the overview document briefed is Fort Hancock and locations within Gateway Recreation Area.

Public comment provided by two persons – Concerns were voiced regarding impacts to the Marine Academy of Science and Technology (MAST) and the impact of Middletown taxes upon proposals. Extensive discussions were had between public commenter (Dan Ferris) and Tony Mercantante regarding Middletown taxes (see details in minutes).

A brainstorming session was conducted with many points made. Incentives and ways to improve marketability included sweeping out buildings, replacing roofs, and ways to reduce prices for materials for those undertaking a restoration lease. During this discussion, a public attendee (Dan Ferris) was invited into the discussion and recommended that a contractor be retained to provide a basic "template" for what a restoration would look like (see minutes for details). There was also discussion of the impact of liquor licenses and cost analysis for a proposal submitter.

Mike Holenstein led a discussion on our operating procedures and way forward managing our actions. The results of this discussion are outlined in our decisions section (page 2) and in our action items. See the detailed discussion starting on page 25.

Our Action Items and Decisions are outlined in the next two pages.

## ACTION ITEMS:

1. Summer Meeting Date (page 5): NPS to schedule a summer meeting at Sandy Hook (consider a MARINE ACADEMY OF SCIENCE AND TECHNOLOGY Building as the location). Pete McCarthy to coordinate with MAST leadership.
2. Taxes – Middletown Township (page 8): Middletown Township Administrator to provide 2016 tax rate in order to identify what potential tax liability for any given building will be.
3. Taxes – NPS:
    - (page 9) Share information about efforts for legislative relief pertaining to taxes so that Committee members can share it with their legislators and to avoid taking Middletown Township by surprise.
    - (pages 14) NPS will revise Fair Market Value Rent Matrix to include assessed value provided by Middletown Township (and correct the designation of Bldg #21 from NCO to Officer's family duplex). NPS will include a note at the bottom of the matrix indicating that taxes are based on estimates and subject to change.
4. Taxes Committee (page 19, 24): Develop a case study addressing what happens if a property appreciates in value. Include Tax Assessor's contact information directly in there. Committee to direct tax inquiries to a FAQ page. Provide the following information with respect to Tax Assessment:
    - An example of how it might work and what it might look like now
    - An example of what it might look like in the future as tax rates change or as the investment is made (or both)
    - How a Lessee might consider the obligation and the potential increase in tax obligation in light of the lease term
5. Pro-Forma (pages 23 and 24): Establish a work group to create pro-forma for Building 114/Officers Club in order to present a financial and visual picture. Subsequently agreed that the work group will select from among one of the buildings Brookdale Community College interior design department students are working on (25, 40, or 70) and Bldg #114. The Committee/work group should have something in time to present at the AC Builders Show, which NPS will attend April 5 and 6. Guy Hembling was volunteered by Lynda Rose and Shawn Welch. Jeff Tyler was volunteered by Shawn Welch and Mike Holenstein as he had assembled an initial pro forma for a hypothetical building lease.
6. Moorings (page 28): Committee to make a formal recommendation to NPS. This committee consists of Gerry Glaser, Lynda Rose, Karolyn Wray, Anthony Mercantante and Shawn Welch.
7. Committee Volunteers (pate 23): Any parties interested in manning the booth with NPS at the AC Builders Show, which NPS will attend April 5 and 6.
8. NPS to place advertising semi-permanent signs and as appropriate temporary banners in Historic Post area such as along officer's row. (page 27)

## DECISIONS:

1. Future Meetings:
    - Running list of open items to be identified on the Agenda for each meeting.
    - Resolution of each item or determination of next steps required prior to closing discussion on Agenda items at FACA meetings.

- Public Comment is for comment only – not for open discussion.
- Committee will return to more formal process when engaging in discussions (use of tent cards to indicate a desire to speak and then be called upon by the Facilitator or one of the co-chairs in the absence of a facilitator).

# FACA MEETING NOTES – February 3, 2017

Members and officials present:

Jennifer T. Nersesian, Gateway (GATE) Superintendent and Designated Federal Official (DESIGNATED FEDERAL OFFICAL ); Pam McLay, GATE Chief Business Services; Karen Edelman, GATE Business Services Division; Marylou Heeler, GATE Historic Architect; Jim Grant, GATE Chief of Facilities; Pete McCarthy, Sandy Hook Unit Coordinator; Daphne Yun, Acting Public Affairs Chief GATE

Shawn Welch, FACA co-chair;

FACA Committee Members:, Kate Stevenson, Margot Walsh, Lynda Rose, Patrick Collum, Dr. Howard Parish(by phone), Mike Haldenstein, Tony Mercantante, Gerry Scharfenburger, Mary Eileen Fouratt, Dan Saunders, Lillian Burry,

Stacie Smith, Facilitator

Members Not Present:
Gerry Glaser, FACA co-chair
Mike Walsh
Jeff Tyler
Jim Krause
John Kedah
Linda Cohen
Howard Parish
Tim Hill

Meeting called to order at 9:16 am

Jennifer Nersesian (DESIGNATED FEDERAL OFFICAL) welcomes everyone and invites co-chair Shawn Welch to speak. Gerry Glaser is not present for this meeting.

Pledge of Allegiance recited

Stacie Smith (Facilitator) provides a quick review of the agenda and asks for comments about agenda topics, which includes:

- Request at last meeting that leasing updates be a standing agenda item implemented
- David Hoder is our guest speaker today. The topic is marine access and mooring options.
- New cultural resource climate change strategy publication to be discussed
- Incentives to leasing opportunities – brainstorming session for members
- Public Comment at 11:30
- Updates on action items and updates from outreach Committee, marine access Committee, and others after lunch
- Protocols for Committee Action Items and Discussion Topics to be addressed in the latter half of the meeting.
- Committee representation and membership discussion
- Committee co-chair selection

The December 2016 meeting summary is approved by the group

Meeting dates for April and June are set/published in the Federal Register. Meetings will be held at the Thompson Park location.

Jennifer Nersesian (DESIGNATED FEDERAL OFFICAL) recommends discussion about subsequent dates take place today due to slow federal register process. Group agrees we should try to set dates.

Shawn Welch recommends a meeting over the summer at Fort Hancock post since that is the busiest season. The Chapel is booked Fridays through Mondays so we have to find a different location.

Lynda Rose likes the idea of inviting people out during the height of summer but separately from the formal meeting. Our open houses have been very successful. Mike asks why we can't have an open house during a meeting.

Jennifer Nersesian (DESIGNATED FEDERAL OFFICAL)/Pam McLay because it is very difficult to conduct committee business during an open house.

ACTION ITEM: Agreed, we will move ahead with meetings at Thompson Park if possible but we can set up an open house or advertise the Thompson Park meeting in a manner more inviting to the public. We will doodle poll the dates. The Committee agreed by consensus that we should have a summer meeting.

Park updates provided by Jennifer Nersesian (DESIGNATED FEDERAL OFFICAL):

- The Northeast Region will be getting new Regional Director (RD). Over the next 60 days, Joshua Laird is acting as the RD. This is good for Gateway - we have an RD who is familiar with our issues and is a good advocate. We are hopeful the next RD will be equally involved with Gateway issues.
- Sandy Recovery projects continue and we continue to work with the Sandy Hook Foundation (statutory NPS Friends Group) on lighthouse.
- Last week's nor'easter moved some sand around and we had some flooding. Though we had to shut down for a bit as a result, there was no flooding to buildings, only roads.
- We are working with Monmouth County Vocational School District (MCVSD) on Building #23 schematic design. We are in the midst of contracting for Building 7 architectural services. It is moving slowly but we are hoping to improve accessibility to the first and second floor, putting in a new HVAC system, and new resilient design features. This is expected to result in a full set of architectural drawings.
- Peak seal season in in full effect. There have been 150 seals spotted at skeleton hill, an island that only rises in low tide on the bay side.
- We are getting closer to the construction of permanent dispatch facility at Fort Wadsworth, and that will take the place of the structure at Sandy Hook that was formerly used for that.

Shawn Welch: So what is the future of the building they used to operate out of – Bldg #32?

Jennifer Nersesian (DESIGNATED FEDERAL OFFICAL): The dispatch team is located at Fort Wadsworth now. The law enforcement building at Sandy Hook is not the dispatch station. It is separate.

Jennifer Nersesian (DESIGNATED FEDERAL OFFICAL) continues Updates:

- We are looking at bricks and trying to find a way to obtain matching bricks. The stockpile we have does not contain the correct size of bricks required. We are hoping to price out a custom made bulk order of matching bricks to make available with respect t to rehabilitation efforts at SANDY HOOK Fort Hancock Historic Post.
- We are under a hiring freeze but we are hopeful that our new Sandy Hook facility manager will be starting the first week of March. That is one of the positions we consider critical and were able to fill prior to the hiring freeze taking affect.

Gerry Scharfenburger: Is that hiring freeze across the board? No backfilling?

Jennifer Nersesian (DESIGNATED FEDERAL OFFICAL): Yes, though guidance on this continues to evolve. We are moving ahead with hiring seasonal employees and lifeguards, without which we could not run the park this summer. Otherwise, unless there is an offer made and a start work date prior to 2/22, there is no hiring until the attrition plan is effect – the new administration is working on a plan.

Margot Walsh - what is the status of the revetment behind the chapel?

Jennifer Nersesian (DESIGNATED FEDERAL OFFICAL): We are trying to ascertain whether this will be addressed through Sandy funding related to other seawall repairs. If not, it will be a line item construction project that will be put in the cue and funding will be requested. The first phase of the project is the design aspect. Margot Walsh is worried there will be a backhoe on site in June, during the time the Jersey Shore Partners (JSP) event is underway. Pete McCarthy assures her there is no chance a back hoe will be there during her event. Shawn commented that maybe we should tie that event into the June FACA meeting but the JSP event is on a Monday and we are committed to Thompson Park as a meeting location in the Federal Register.

Shawn Welch asks about the status of Building 102. He wants to know if it will open by June.

Jennifer Nersesian (DESIGNATED FEDERAL OFFICAL) has no further information to share on Building 102 schedule at this time. Shawn also asks about park housing on Sergeants Row – will it be up and running by next spring?

Jennifer Nersesian (DESIGNATED FEDERAL OFFICAL) certainly hopes so. Pete McCarthy points out that we really are doing our best to get park employee housing up and running ASAP due to the large number of interns, SCA hires, and summer employees.

Shawn Welch outlines the significance of the Non Commissioned Officer (NCO) housing at Fort Hancock – from historic significance perspective. NCOs are the “backbone of the Army”. They are the day to day supervisors and trainers of the junior enlisted personnel. There were approximately eight junior enlisted personnel for every NCO. Without NCOs, the Army does not function.

Leasing Update: Business Services

Pam McLay (Chief, Business Services Division) explains that we are getting more interest in the buildings now that spring is coming. We have entered into another Letter of Intent (LOI) for four buildings. The LOI allows for a due diligence period under which the proposed Lessee undertakes review, lines up the A&Es, conducts studies, cost analysis, etc.

We have a Letter Of Intent in effect with MARINE ACADEMY OF SCIENCE AND TECHNOLOGY for buildings #23 and #56. Shawn indicates that Lillian is meeting with the Superintendent of MONMOUTH COUNTY VOCATIONAL SCHOOL DISTRICT this morning and she expects them to "move closer to signing a lease." Pam McLay indicates that once we get through the schematic design, we will know better where we stand in terms of lease negotiations and timing.

Affordable Housing Alliance is working on a preservation plan between now and the time they start rehabilitation in order to protect the building from further damage.

Though the LOIs are only for a period of sixty days, we will extend them as we see progress. Similarly, if we do not see progress, we may choose not to renew them and put the properties back on the market. As for the LOIs, we will be making them available, posting them on the FACA website under this meeting date. All information except for addresses and phone numbers of proposed Lessees will be in the LOI.

We still have proposals with the Northeast Regional Office panel for review for buildings 4, 12, and 17. Northeast Regional Office follows up with potential Lessees in the event any additional information is required. Northeast Regional Office may request more information and if an applicant is non-responsive/fails to provide additional information within a timely period, NPS will consider additional applications from the same applicant, even if the original application was non-responsive. While applications may be non-responsive, nothing prevents an applicant from resubmitting or putting in a new application for a different building.

Shawn Welch and Mike Holenstein have questions about holding proposals as backups and the evaluation process. Karen Edelman explains the regional panel is responsible for making the determination, for requesting additional information if required, and prioritizes review based on the order of submission of applications/responses. GATE communicates with the region about priorities.

Mike Holenstein asks at what point the applicants or the public is notified about the status of proposal considerations or LOI. Karen Edelman explains that we update this information on the website. Each building is identified as available, under an LOI, proposals received, etc. This is an evolving process that takes place in real time. Also, typically, when park representatives take folks out on site visits, we let interested parties know if a building is under an LOI, or that proposals have been received but that if parties are still interested in any particular building we will review their proposals as a backup.

The Jennifer Nersesian (DESIGNATED FEDERAL OFFICAL) points out that if we get more than one proposal for the same building in any month, we will prioritize the one that meets park needs best.

Pam McLay: We have also been getting many inquiries as to rent. Pam shows the members the FACA webpage which contains a matrix identifying which buildings have been leased, are under an LOI, what the FMVR is if determined, as well as the assessed value.

Pam McLay asks Middletown Township Administrator if he can provide 2016 tax rate. Once provided, Gateway will edit the last column to include the rates for 2016 so people can see what the potential tax liability for any giving building will be. Tony Mercantante asks the group to remember these are based on current condition of the buildings. NPS will change the last column of the matrix to show the 2016 rate.

Currently, the tax bill for Building #21 is estimated at just over $5K (though previous records indicated it was over $6K/annum).

Lynda Rose asks if we will continue discussing this tax issue or whether we are done.

Tony Mercantante explains there is no way around the tax issue. Jennifer Nersesian (DESIGNATED FEDERAL OFFICAL) and the Pam McLay explain this is law and we must abide.

Mike Holenstein recommends that we include an asterisk at the bottom of the matrix indicating that taxes are based on estimates and subject to change. ACTION ITEM for Gateway and Middle Town Township.

Karolyn Wray indicates that Aberdeen is undertaking efforts to redevelop and create related tax incentives. Why aren't we making similar efforts?

Tony Mercantante: We talked about this at multiple prior meetings. Aberdeen is creating special taxing districts to create abatements. If there was a law that allowed us to create special taxing districts on federal lands that is what we would be doing. Absent that law, we are not allowed to create such districts.

Stacie Smith (Facilitator): Some of the efforts we discussed as options may relate to lobbying, which the Committee is prohibited from doing.

Tony Mercantante: The Federal Government says we cannot declare federal lands an "area in need of redevelopment." You have to have zoning control over the lands in order to declare them a redevelopment. That does not exist here.

Karolyn Wray: Well if Aberdeen can find a way, we should be able to find a way too.

Jennifer Nersesian (DESIGNATED FEDERAL OFFICAL): We'd need a law passed by Congress to do so.

Pam McLay: The commitment is shown by the Federal Government through the leasing authority. That is what allows us to essentially redevelop an area.

Shawn Welch: So to request it, we need help from NPS HQ?

Jennifer Nersesian (DESIGNATED FEDERAL OFFICAL): It can come from federal legislators or from state level legislation which may result in other measures of relief.

Kate Stevenson: Has the park made that request for legislative relief?

Jennifer Nersesian (DESIGNATED FEDERAL OFFICAL): Yes. The park has submitted this request for legislative relief in response to a call for a comprehensive proposal to Congress. There are several different pathways down which this could go.

Kate Stevenson asks if we can share the language with the Committee when it is done, so that Committee members can share it with their legislators.

Jennifer Nersesian (DESIGNATED FEDERAL OFFICAL): Yes. We will share it also, because we do not want to take Middletown Township by surprise. ACTION ITEM for GATE).

Shawn Welch: So you are pulling together a list of needs from NPS to submit to Congress for overall relief of multiple issues?

Jennifer Nersesian (DESIGNATED FEDERAL OFFICAL): Yes. It will go in as a package.

Michael Holenstein: As Tony indicated, we have been over this topic multiple times. When you seek tax relief by abatement, legislation, or something else, you are asking the cost of those taxes to be passed along to someone else. You are not creating or destroying the need for funds or taxation, you can only redistribute it. You are deferring whatever costs are associated with taxation at Fort Hancock to all the other Middletown Township residents/businesses. Also, we have a simple system that is fair from a practical position. Why would we invest such significant energies to try to change something that is primarily fair and simple?

Margot Walsh: From an economic view, and in order to grow the businesses we are trying to grow here, we should request abatements. Who have you been in touch with on a congressional level?

Jennifer Nersesian (DESIGNATED FEDERAL OFFICAL): No one. The process is internal to NPS.

Margot Walsh: So I can bring this up with my congressional representative next time I see them?

Jennifer Nersesian (DESIGNATED FEDERAL OFFICAL): Yes, as an individual citizen but not as a Committee member. The committee proper has a prohibition on lobbying members of congress.

Kate Stevenson: Do we want the citizens of the US to pay for part of the preservation?

Gerry Scharfenburger: Are we asking for tax exemption or for A&R.

Kate Stevenson: We are asking for a PILT (Payment in Lue of Taxes).

Stacie Smith (Facilitator): This is a topic we have talked a lot about and my sense is there is not a lot of agreement among the Committee on what we should do, what we want to do, nor on what approaches we should take. If there is something the Committee wants to come to agreement on, pursue, etc., let's put it on the agenda. Maybe people want to know what the suite of legislative options is, maybe we need to determine whether that is even appropriate for discussion, it is clear the Committee has differing opinions.

Jennifer Nersesian (DESIGNATED FEDERAL OFFICAL) we can talk about this for advocacy within NPS. The Committee is prohibited from lobbying as a group or as individual representatives of the Committee. If committee members speak to members of congress, they must do so as private citizens and make it clear they are not speaking for or representing the committee.

Lynda Rose wants to know why this issue has only come up in the last six months since it is such a big issue.

Pam McLay: We have made it known since day one that taxes would be the responsibilities of any Lessee. It was identified in the RFEI, in the RFP, in the draft lease, and in discussions. What may have changed is that people are really seeing how it applies in actuality.

Mike Holenstein: I can't believe that we are claiming this is a new topic. We re-churn the same things over and over. If you are looking for an education in taxation, you have to spend time outside of this meeting doing some learning. The properties are exempt now. They become taxable when they are leased to a non-governmental party that lacks tax exempt status.

Margot Walsh: I don't think any of us question that the properties should be taxed. What we are trying to do is establish whether it is possible to obtain an assessment. We seem to have lost sight of that.

Pam McLay states that non-profits are tax exempt.

Pam McLay and Stacie Smith (Facilitator): We are going to discuss incentives to leasing in our brainstorming session. We agree to table this discussion until later in the afternoon.

Leasing update continued:

Brookdale Community College Interior Design Department's new semester projects are underway. This semester they will tackle Buildings 25, 40, and 70. They will be working on more commercial themed facilities this semester. The work they did on building 27 last semester was instrumental in getting AHA on board for Building #27. Jennifer Nersesian (DESIGNATED FEDERAL OFFICAL) points out that this partnership came about as a result of introduction from Michael Walsh. This is a great example of what happens with Committee members connecting with the community.

The Jennifer Nersesian (DESIGNATED FEDERAL OFFICAL) thanks the Committee members for being so involved and putting out the word among their contacts.

Tony Mercantante asks which of the buildings we have not received any proposals to date. NPS will count it out over the break and perhaps we can use this as a point of discussion during our incentives portion of the meeting.

Margot Walsh asks which types of use the LOI buildings for Kachin sky are expected to be used for. Pam McLay shares the LOI on the screen and reviews the types of use proposed for each building, explains the obligations under the LOI, such as permitting, insurance, time period, feasibility review, etc.

Also explains that LETTER OF INTENTs can be extended if the proposed Lessee shows progress during the initial LETTER OF INTENT period.

Margot Walsh asks if this LETTER OF INTENT is with individuals or a corporation. BUSINESS MANAGEMENT DIVISION explains that right now the LETTER OF INTENT is with individuals but we expect that the lease will be negotiated with an entity to be created.

Superintendent wants to clarify that the proposed Lessee is one of the Middletown Township code inspectors. He will not be undertaking inspections for the buildings covered under his LETTER OF INTENT. There is another township that is required to do the code assessments when a muni official

from this township is involved - this is a law. Joe K fell in love with the buildings when he came out to inspect.

**Next Topic – Speaker**

Dave Hoder, a Civil Engineer with an office in Fair Haven, was asked by Gerry Glaser to talk a little bit about what it would take when considering moorings, marinas, docks, and piers, just from a planning discussion perspective. Mr. Hoder has done related work for Middletown Township.

Mr. Hoder handed out a NOAA survey of the bay (to be posted) containing depth measurements. He explains: For moorings, you want to have a depth of approx. 10 feet. If you go deeper, it get costlier to install moorings, shallower, you run the risk of having boats run aground. Also, you want to avoid having to dredge due to the process of disposing of dredge materials and the related required permits.

To facilitate a project, you must not only look at the depth, but you must look at what is under the seabed. It should be examined for archeological reasons and for infrastructure reasons. You need to determine what is running under the bay (utilities, for example). You must also look at the direction and impact of the winds and waves. Sometimes that requires you to put in a wave screen such as the one in Atlantic Highlands, where the federal agencies put in a rock wall during WWII.

Mr. Hoder is not sure whether the park needs to examine riparian rights. When a private landowner wants to build the facilities, they need a lease or a grant from the State of New Jersey to build when there are riparian rights. The state does not typically give out grants anymore. The more common practice is for the State to issue a lease at cost of a couple hundred bucks/year.

Superintendent: We own the riparian rights to ¼ mile from the mean high tide line.

Mr. Hoder: You might want to do a title search to see what was conveyed from the private owners from whom Sandy Hook properties were purchased by the Government.

Continues: When you know whether you want moorings, piers, etc., I can help you lay them out in a grid pattern. There are many ways to maintain those facilities whether by NPS or by an individual/entity hired to do so. Once you know whether you want moorings, docks, piers, all, etc. you apply for your permits. If you decide you just want moorings, you may want to set up a small dock for tender service or for dingy. Typically, it is a combination of tender boats and dingy that use a pier associated with mooring fields. The DEP will issue permits for mooring fields and issue a separate permit if dredging is required. You will also need a USACE permit – they have jurisdiction over all navigable water ways. A lot of times the permitting requires a concept plan and meeting with both agencies (USACE at 26 Federal Plaza in NYC and NJDEP in Trenton). The agencies will provide post-meeting feedback about what they will allow. State of New Jersey (DEP) permit decisions must be made within 90 days of application submission though the State is entitled to two 30 day extensions before they must approve or deny same. USACE has no limit on the amount of time in which they are required to respond/issue a decision. Sometimes DEP will issue conditions that docks/piers must be removed every winter. Note: Building Permits from Middletown Township will be required in connection with construction of a mooring field.

Construction of docks, piers, and mooring fields is specialized. They are typically built in the summer.

Qs:
Are rules different if dock or mooring field is temporary vs permanent?
No: They are permitted the same way. Moorings have to be set up in a grid form and you must consider the size of the boats. You do not have to engineer the mooring field for one size fits all, you can make different areas of the field for different size boats, the moorings get laid out differently (further apart when considering locations for larger boats).

Tony Mercantante: Is there a trigger for pump out?
Dave: Pump outs are always required and DEP requires it as part of an application. Pump outs can be by pressure or into a direct sewer line.

Mr. Hoder recommends a minimum 10' depth for moorings to approx. 20 'maximum. A typical boat keel is 4-6 feet deep. Racing boats have much deeper keels as do very large boats.

According to Mr. Hoder approximately 98% of the debris in the water that was Sandy related has been removed. There may still be some left on surrounding adjacent lands.

There is a restricted zone near NWS Earl that does not get permitted.

Sandy Hook Unit Coordinator: The Sandy Hook Channel is dredged consistently on an annual basis to retain its depth at a consistent level. Dredging required in connection with a mooring field is the responsibility of the landowner.

Questions from the Committee about the wooden poles sticking out of some of the bay areas. Those are identified as fish trap areas. We will have to look into those (ownership? Impact on planning?). Tony Mercantante says those are for gillnetters – there are very few left in the state of NJ (they have the right to use those fish trap areas).

Mike Holenstein: Do you perceive the same level of state permit requirements will apply to federal submerged lands/waters? Yes.

Note: Mr. Hoder has been a member of the Sandy Hook Foundation for more than 10 years.

Mike Holenstein: With respect to the [underwater telecommunications] cable areas and the fish trap areas designated on the maps, is there an area you can point to on the map to identify as a mooring area right now? Mr. Hoder: No. You have to check the depth; have to have parking, access to facilities, bathrooms, so those are considerations you want to account for. You might want to start planning in the area near the Chapel. Also, things are changing with respect to technology so in terms of property rights associated with areas (such as existing underwater cables) those may not even be in use anymore.

Superintendent: Have you seen different types of financial structures to get these off the ground, or have you seen arrangements with developers who finance it in exchange for some right? Dave: Yes. You could put this out as an RFP to create a mooring field and create related regulations and you could make money from the corresponding leases. You could require the developer to do the permitting.

Recap of Permits Required in connection with mooring field, docks, piers, and marina:

US Army Corp of Engineers

NJ Department Environmental Protection
Middletown Township
Possibly, a Monmouth County Planning Board Permit but since no county roads are involved, it should not be a problem

Mr. Hoder stresses the importance of determining what exists along or underneath the floor bed of the area you want to construct the mooring field in. There may be environmental considerations you have to account for such as seabed grasses, habitats, underlying infrastructure, archaeology.

Next Topic: Leasing Update As Of February 3, 2017 (Outline projected on screen is posted with these meeting minutes), GATE Chief Business Services

**New Letters Of Intent ()**

- **Joseph Kachin sky, Jr. and Rudolf Lobito**
    - Buildings 33, 36, 52, 60 and 80. The park has met with Joe and discussed next steps and preservation plan during LETTER OF INTENT period.

**Current LETTER OF INTENT Update**

- **Monmouth County Vocational School District:** Buildings 56 and 23
    - The project architect has submitted Schematic Designs and NPS is working closely with the architect to determine next steps.
- **Affordable Housing Alliance**: Building 27
    - NPS has met with the project manager and the architect to discuss NPS approval process and historic preservation standards. They are also working on an interim preservation plan during LETTER OF INTENT period.

**Releasing Letters Of Intent**

- **Letters of Intent:** Because we have shared the LETTER OF INTENTs during FACA meetings open to the public, those documents should be considered released once fully executed subject to any applicable privacy act considerations. NPS will not share addresses, emails, or phone numbers. The remaining terms and conditions will be made public.

**Proposals**

- **Current Proposals**: Proposals Buildings 4, 12, and 17 are under review by the NPS evaluation panel.
- **Multiple Proposals:** Nothing precludes the National Park Service (NPS) from considering multiple proposals for the same building at any one time. Proposals are considered in the order in which they are received. For example, if one applicant submits a proposal in January, and another submits a proposal for the same building in February, the January proposal, assuming it is responsive, will be considered first. The February proposal will be considered a back-up and will take priority over any subsequently received proposals for that same building.
- **Non-Responsive Proposals:** In some cases proposals have been deemed non-responsive. Just because a proposal is deemed non-responsive does not mean the applicant cannot submit another proposal. The NPS encourages interested applicants to re-submit proposals containing additional information. The most common reasons a proposal might be considered non-responsive are because an applicant did not provide the additional information requested by the NPS evaluation panel or because the applicant was not able to demonstrate the financial

capability necessary to undertake the project as proposed. The NPS makes every effort to be as flexible as possible to provide applicants with opportunities to submit necessary information.

**Minimum Fair Market Rent Update**

- One of the questions the NPS is frequently asked is "What is the rent for the building"? The NPS has provided some answers to this question. Please see the attached table: https://facaweb.files.wordpress.com/2016/07/fohafmvchart_revised.pdf. If there is no minimum Fair Market Value Rent identified in the table, applicants should state how much Fair Market Value Rent they propose to pay when submitting a response to the Request for Proposals. The NPS will consider rent offsets for capital improvements made by Lessees.

**Other Related Projects**

- Brookdale Community College: Brookdale Community College students are working with GATE to prepare and provide drawings and plans for commercial buildings identified in the RFP. The projects the Committee will hear more about as the semester draws to a close include the following:
    - Building 25 Barracks
    - Building 40 Post Office/YMCA Gym
    - Building 70 Recreation Facility/Bowling Alley

Next Topic: Climate Change Presentation, Marilou Ehrler

Cultural Resources are not limited to buildings; it includes the historic structures, historic landscapes, archeological collections, existing national register archeological site at Fort Hancock, museum collections, and ethnographic resources.

The focus has always been on natural resources when discussing climate change but the UN and other groups are now starting to focus on cultural resources across the world. Some of our island nations are in danger of being lost to climate change. We are working with all the organizations to address the effect of climate change on cultural resources worldwide

By way of explanation, NPS has two "arms." One manages cultural resources across the nation and the other provides information and support to others about preservation of cultural resources from a practical and tax incentive point of view.

Climate change strategies and response strategies have been in developments since prior to Sandy (over the past six years). The presentation is included in the materials to be posted on the FACA website:

The overall strategy originally established four pillars: science, mitigation, adaptation, communication. Policy memos talk about climate change and how NPS is expected to participate, how climate change has impacted cultural resources in the past, where cultural resources were moved to adapt to climate change. We are more hardened and can no longer move cultural resources.

There are four separate goals in the new strategy (which Shawn Welch comments is excellent from a Marine Academy of Science and Technology planning perspective)

- Connect impacts and information. GATE is a case study in this portion of the presentation
- Understanding the Scope.

- Integrate the practice. Connecting with the science and using it in management of cultural resources. For example, how do we address freeze/thaw cycles and use of historic buff brick?
- Learn and Share. Key information is being shared globally. What have we learned? What can others teach us?

It is not a detailed handbook or a how to guide. It is not NPS specific. It makes organizational framework for reading about and implanting cultural resource guidelines.

We have to use it to consider earthworks that are falling into rivers, archeological sites that are in peril, and we need to find ways to respond.

What does this mean for GATE? One of the case studies is GATE, specifically our prioritization efforts. We did not know if we should include climate change in the GMP. We did not have metrics to measure against. Then Sandy hit and we were able to measure impact based on climate change.

Shawn: This requires you to think about how this effects real property management from a repair and maintain point of view. This topic is held for further discussion after public comment period.

Public Comment at 11:30

Melanie Elmiger – Lincroft resident and Marine Academy Of Science And Technology parent. Monmouth County Vocational School District (MONMOUTH COUNTY VOCATIONAL SCHOLL DISTRICT) is in the process of rebuilding #23 and #56 which are necessary for educational and other space. Every day that building #23 sits there increases the cost of rehabilitation and compromises existing materials that can be used. She wants us to speed up the process, to be proactive and be realistic. She is looking at the building as a bystander and her concerns about the requirement to reuse the existing materials and rehabilitate in accordance with the SOI Standards. This building is more deteriorated than others at SAHO. For the past two years it has sat roofless and with trusses exposed to the marine elements. When the materials are salvaged, are they compromised in terms of safety due the exposure? Second, she is concerned aboutwhat about the cost to rehabilitate the buildings. The MAST families are supportive of efforts to rehabilitate them. She is concerned about fiscal responsibilities of the MCVSD and hopes the NPS will not require MCVSD to go to extreme measures to rehabilitate the building. She hopes there can be a compromise in meeting the school district's needs, accounting for the cost, and recognizing that NPS is imposing standards on MAST that NPS is not willing to undertake itself. Last, why not consider Use of MAST Building #77 for the summer FACA meeting (NPS agrees to talk to MAST leadership about it – this is a good idea).

In response: Jennifer Nersesian (DESIGNATED FEDERAL OFFICAL ): Reuse of materials has to be safe. We cannot reuse materials that render a building unsafe. By law, and by our mission, we are required to preserve historic structures. We are looking at that with an eye to reach two goals: to provide MAST with the space they need at Fort Hancock and continue partnering with a really great partner, and to looking at the rehabilitation process from a financially feasible perspective. We know we have to find a balance between making the project financially feasible and preserving the building.

Shawn Welch: All federal agencies are required to adhere to the same standards. You can rest assured that once NPS authorizes occupancy, the building is safe. The original Army construction was quite robust, and you can see that from how long the buildings have stood and remained in use with little to no routine maintenance and repair.

Dan Ferrisi – (public commenter):

Taxes: What services does Middletown Township actually provide for tax dollars that you are going to be paying for?

Tony Mercantante: Whoever occupies those buildings has full access to Middletown Township's cultural and recreational programs, schools, and support for police, and EMS, etc.

Dan: Aren't fire, police, and EMS addressed by staff on the Hook?

Tony Mercantante: Yes but those are directly on site. Rangers do not address criminal investigations. Middletown Township provides backup services.

Dan Ferrisi: But I don't own the house and am at the mercy of appreciation, which I lose when I lease the property after making a large up-front investment.

Gerry Scharfenburger: One thing I should point out is that this is not a win for Middletown Township, this is the law.

Dan Ferrisi: I am not saying that I don't want to pay taxes; I want to know how that plays out in terms of a reduction in what I am paying.

Tony Mercantante: The Monmouth County Tax Assessor was at the last meeting and he discussed how the taxes are assessed and what is considered. There is a factor built into the process to address the fact that you do not get land, do not have complete autonomous use, which considers there is a huge cost required in investment. You will find that the limiting factors are built into the calculation rendering the taxes at approximately 1/3 of what other residents of Middletown Township pay.

Dan: What stops you from tripling the tax rate?

Tony Mercantante: Lots of things stop the township. Other than normal depreciation of land values or building values, there will not be any crazy increases. There may not even be any increases because the Middletown Township tax rate is really struck by the county so you could add value to your property and see very little to no increase in the tax rate.

Dan Ferrisi: So if I have kids they have access to Middletown Township schools? Yes.

Mike Holenstein: Everything Tony said is true. I take exceptions to the statement that the assessments are only thirty percent of the tax rate- I believe they are lower. In any case, there is an absolute right to appeal annually. The proof is on the party bringing the complaint but you have the right to appeal to the county commissioner and then the State of NJ tax court and prove that your tax rate is too high. They are governed by the law.

Dan Ferrisi: The assessment is what I invested. You are taxing someone that does not own anything.
Mike Holenstein: A lease is an estate - a right of use of occupancy. You own those rights for a period of time. You don't have the value of appreciation but you do have the right to sublease. If your value has

doubled, you have a leasehold estate – where the market appreciates at a rate greater than what you are paying in taxes. You can sell your leasehold estate and profit on that.

Dan Ferrisi: That is inverse to the value I would receive if I owned it.

Mike Holenstein: You are participating in the increase in value if you sell your leasehold interest. While we look at residential properties as an investment, we only started looking at them as appreciating assets in the 1980s. Prior to that we simply bought houses to live in. The taxation and related costs of living increase over time – that is a reality.

Pam McLay: The Middletown Township Tax Assessor is willing to meet with anyone as is the County Assessor whose presentation is on the website. We can put you in touch with them.

Dan Ferrisi: The biggest issue coming up in terms of rounding up investors is the issue of taxation.

Margot Walsh: What services is the park providing?

NPS: Trash removal, road plowing (snow, sand, etc), road repair, police/fire/EMS, and landscaping. Wastewater, sewer, and water treatment are also provided for a fee. Common Area Maintenance (CAM) fees will be waived for the first five lessees. CAM does not include utilities.

Dan Ferris: So if you are Lessee 6, you are getting double charged. Is there some sort of matrix that identifies what taxes are going towards?

Tony Mercantante explains that the way the taxes are calculated, if you have one child in Middletown Township schools, based on the current tax rate, where you are paying $5K in taxes annually, you win. It costs Middletown Township $16,000 per student per year. The muni portion is 14 %, the county is 22%, and the BOE gets 66% of the taxes collected. Actually, collecting $400 worth of taxes per building is a lot of work for us but the law requires us to do it even though it is more trouble than it is worth. If you are a Lessee in any of the surrounding municipalities, you are paying taxes in some form or another. Your rent covers all or a portion of the taxes.

Dan Ferris is concerned that rents on the investment property, when accounting for an increase in taxes could price you right out of the market.

Dan Saunders thanks the speaker for coming and notes this is an issue the Committee has been discussing for some time and will continue to discuss.

Mike Holenstein to commenter: Do you think the fear of this unknown variable is preventing investment here?

Dan Ferris: Yes, absolutely.

Mike Holenstein: There has been progress in dealing with the Committee and the township in dealing with taxation. Do you feel that the unknown is less scary now than it was a year ago?

Dan Ferris: I only learned of this project in November so I cannot comment on what existed one year ago.

Gerry Scharfenburger: There is no mechanism to lower a rate based on services you use or do not. We get this argument a lot from parents who send their kids to private school.

Jennifer Nersesian (DESIGNATED FEDERAL OFFICAL) thanks the speaker because we neglected to ask whether he had any objection to questions from the Committee. The dialogue is a valuable opportunity to obtain perspective.

Claudia Delfino –Public Commenter

Claudia has been attending these meetings since the first inception of the leasing efforts 15 years ago. She is worried about the taxes. If she spends the money on a building in a neighborhood that has low value and the investment increases the value of the community, and the taxes go up? How much will they go up? She is not ready to sign a LOI but this question is an issue in terms of her considerations.

Stacie Smith (Facilitator): Are there ways the Committee can provide more information that can help answer these questions? Is there something simple the Committee might do or advise the Park to do to address these questions?

Tony Mercantante: Maybe when the proposals are submitted, it should be required that an Applicant meet with the Tax Assessor early in the process. The Tax Assessor can explain how the process works and can give a framework as to what to expect. All proposed Lessees should meet with the Tax Assessor TA, even nonprofits. Agreement among Committee members that this is a logical recommendation.

Dan Saunders: We should look at the website and see what information is there in terms of communication about this topic.

Karolyn: I've had approx. 120 inquiries and they ask the same thing.

Tony Mercantante: Refer them to us.

Mike Holenstein: Can't we direct those inquiries to our FAQs and our meeting minutes.
(ACTION ITEM: Maybe NPS should create a taxation only FAQ).

Dan Saunders: We need to find a way to explain from the case study what happens if the property appreciates in value.

Shawn Welch: Make a recommendation to NPS to develop a case study, put it in the FAQs, and put the Tax Assessor's contact information directly in there. Consensus. ACTION ITEM.

ACTION ITEM:
Facilitator summarizes:

- Here is an example of how it might work and what it might look like now
- Here is what it might look like in the future as tax rates change or as the investment is made (or both)
- How can I think about the obligation and the potential increase in tax obligation in light of my lease term

Lynda Rose asks for options about getting out of this obligation, such as sale of lease rights. Committee asks for consensus on this

Jennifer Nersesian (DESIGNATED FEDERAL OFFICAL) and Pam McLay recommend a workgroup provide this information.

Patrick Collum – a big concern for potential developer is the unknown. We've determined that 1/3 of the typical tax assessment is what will apply. How do we know this will continue in the future?

Tony Mercantante: Over time, the market will dictate what happens. If someone sells their lease for a huge profit, it will set the value going forward, just as when you sell your house.

Facilitator: The question is whether there is any certainty in the change of the adjustment between the assessed value and the adjusted value post improvement.

Tony: That is a Tax Assessor question.

Dan Ferrisi: So if the guy next door's taxes increase that applies to me too?

Tony Mercantante: Market trends are not driven by one property. They are driven by market trends over periods of time. In a perfect world, it would be great to have a PILOT where you start from one flat point but the law is structured so that you have to be treated just like any property owner. That is why we built in the mitigating factors such as lack of ownership, no land, public setting, etc. People are investing huge sums of money to renovate homes and the likelihood of one person spending twice the amount of money is only relative to the original condition of the building being twice as bad. This is why you are probably not paying fair market value rent - especially since right now you are paying $5K in taxes a year for one of these buildings. If $5K in taxes per year is too much when you are talking about a minimum investment of $500K, you probably cannot afford to take on a project of this scope.

Dan Ferris - I'm concerned about what happens when you look 10 or 20 years down the road.

Tony Mercantante: The increase can also apply to a house you own.

Public Comment closes 12:18

Back to Climate Change presentation:

Since the Climate Change impacts resulting from Sandy became prioritized, other parks such as Cape Lookout are following same suit.

How is GATE working with this? We seem to be ahead of the curve. We are preserving coastal heritage and attended a workshop at FEHA in this regard. Education and collaboration are helping us address the impact to cultural resources. One of the things we are working on is a preservation brief about listing houses in historic districts.

Margot Walsh is impressed with the report, the formulas, and is amazed that NPS is ahead of the curve on addressing sea level rise. She congratulates NPS for being ahead of the curve.

Tony Mercantante: When we looked at the buildings, most of them did not have a first floor elevation problem but when you consider rising sea levels, is this something we need to think about?

NPS RESOURCE MANAGEMENT: We have been discussing whether we need to raise our buildings and even some of our seawalls. One of the buildings we have been focusing on is the Spermaceti Cove Lifesaving Station. The dune really saved it and so we built the dune back. Also, if we moved it, it would not be any better protected. Moving the building or any future efforts to protect it require us to account for FEMA plus three. That accounts for elevations right now though, not for elevations as sea levels do rise.

The cost to raise masonry structures is a very expensive venture.

Shawn Welch: What are you reactions when there is a flood? How quickly do you react and take care of the buildings? These are hard buildings and can be recovered.

Tony Mercantante: I was thinking about the cost of insurance and the impact regarding same.

Jennifer Nersesian (DESIGNATED FEDERAL OFFICAL): The best resiliency measure is using and maintaining a building. The porches on officers row for example, the ones that were devastated, were those that were not in use. The ones that suffered the most were those that were neglected. Use of the buildings and the care that goes along with that is what will save us in the next storm and that is why we need to lease these buildings.

Next Topic: Brainstorming about incentives.

Stacie Smith (Facilitator) asks Pam McLay to bring up lists of buildings that have not been the subject of any leasing proposals.

Stacie Smith (Facilitator): This discussion is meant to come up with reasons or methods to inspire folks to lease or submit proposals to lease buildings and try to address why some buildings have more appeal than others. Gerry Glaser wanted us to discuss what we could be doing or advising the park to be doing that would tip the scales in terms of getting folks interested. One of the things Gerry Glaser wanted us to discuss was considering an incentive – such as if a lessee takes on a really difficult building like the Officers Club, there would be an additional opportunity to partake in other revenue streams such as sharing in the chapel generated revenue – which Facilitator points out may not be allowed under the existing authorities. The point is, we are supposed to be participating in outside of the box brainstorming that may result in making this a better or more appealing sell.

Shawn Welch: What would an incentive look like? What could the park service do to provide incentives?

Lynda Rose: The Park could provide building materials or provide reduced pricing on those. Also, revisit the Liquor License – did I hear correctly that unlimited Liquor Licenses are available at $2K/year?

Karen Edelman: Yes but that is just the fee paid to the State of NJ, it does not address costs imposed by NPS.

Margot Walsh: Sweep the buildings and clean the bathrooms.

Kate Stevenson: The Park should replace roofs on structures

Mike Holenstein: You have to consider what you are getting with your lease to begin with. We are assuming that incentives are necessary but the ones that are built in to the program allow a Lessee to use a property that is not otherwise available in the public domain. Also, the way the costs of construction are dealt with go to the structure of the lease. You are making deferred rent payments over a period of time. If the reasonable investment would be made under normal investment of 25-30 years, and you have a 60 year lease, you might have the opportunity to amortize twice. The program itself is already a huge incentive to undertake this opportunity.

Jennifer Nersesian (DESIGNATED FEDERAL OFFICAL): So how to do we get this out to the broader public?

Mike Holenstein: We should demonstrate a pro-forma determination about investment in these properties but we are worried that it will become a rule rather than an explanation. Additionally, we get knee jerk reactions from the public without the due diligence that is really required to undertake such a project. It would help if we made our discussions, conclusions, and recommendations more readily reviewable and recoverable so that people can search and find the information in the materials we post.

Margot Walsh: If I don't know anything about taxes, cost, or incentives, I want to see something that tells me what it will be. We have to market ourselves as realtors and we need to have a finished property to show people so they can see how it works.

Jennifer Nersesian (DESIGNATED FEDERAL OFFICAL) and Pam McLay: It will take a long time to get there and that is what Building 7 is meant to be.

Dan Ferris: The success of this project is that all buildings get done for investors to succeed and for the community to be viable. You need to outline the procedure and show people how it has to be done, what the total cost is top to bottom. Engage a construction firm to put together an outline plan that is available so that people do not have to visualize but can show a paper version of a project. The construction firm should be able to address historic materials, etc.

A discussion ensues about the costs to NPS to obtain such services vs. the cost of the private sector to obtain same. NPS would have to procure such services under government contracting.

Stacie Smith (Facilitator) asks committee and NPS to consider ways to get more action more quickly on more difficult properties, for example the Officers Club building, where the cost of the project may outweigh the financial return on investment.

The group wants to return to a discussion of the Liquor License. This appears to be the incentive they wish to consider.

Mike Holenstein: The only thing you can offer as an incentive is an increased lease term or the sale of a Liquor License. Full amortization of an investment in something along the size and scope of the Officers Club would not exceed 30 years in the commercial market. Amortization combines a return on debt and a return on equity over a period of time. If the period of time in which that investment can be recaptured is 30 years, why wouldn't we assume that an investor would recover their investment over a

period of 60 years? You don't have to give it away. You can take a pro forma, look at the reasonable period it would take to recoup your investment, and add to the term of the lease in five year increments. When you look at cash flow in, return on investment cash flow out, and when you look at it at the end, your returns are exponential because your investment monies have been taken out but you are still getting, in the form of returns, the value of your initial investment and the increased returns. The idea that we need to knee jerk because people are afraid of the investment is wrong. What we need to do is develop pro forms that we can share showing how the investment can work out over a period of 30 years.

Karolyn Wray: One of the difficult parts is that no one lives out there yet, how will we get someone to invest out there? In response, the members point out that summer visitation is very high. What do we need to do to capture that kind of investment?

Pam McLay: The Park cannot endorse a pro forma but you as the FACA Committee can provide a pro forma example on the FACA website.

Margot Walsh: You already have a profitable business out here, the Chapel, which is booked on a consistent basis. The biggest problem we seem to have is where people will stay when they have weddings out here. If you could rehabilitate the Officers Club and it had a Liquor License, this would end the problem and generate income, and create a vibrant use.

Stacie Smith (Facilitator): So what is the role you could play to connect those dots? We need to get people at the beach to know that there is place at the beach for a wedding party, with a Liquor License.

Lynda Rose: There is nothing in Monmouth County that could accommodate 300 people right now in terms of conventions. This is something we could consider in terms of the Officers Club.

Shawn Welch: The large 1890s barracks (Bldgs 24 &25) are also ideal conference locations.

Margot Walsh: When the tents are up at the Chapel and the Ferry comes in, that is the best exposure you can get. People arriving on the ferry always ask what is going on there.

Mike Holenstein: When you say we as the FACA can present examples, could that be in the form of FAQs?

Pam McLay: Yes. It would go up on the website.

Pam McLay: I know Jeff Tyler has done a spread sheet but it needs to be a little more…

Mike Holenstein: I know what you mean. So do we have a work group?

ACTION ITEM: A Work Group to Create Pro Forma for Building 114/Officers Club.

Guy Hembling is volunteered by Lynda Rose and Shawn Welch.

Jeff Tyler is volunteered by Shawn Welch and Mike Holenstein.

Stacie Smith (Facilitator) recommends that we send out an email to the rest of the Committee since we have a lot of missing folks today.

Pam McLay recommends that we have something in time to present at the AC Builders Show, which NPS will attend April 5 and 6.

ACTION ITEM: Ask for Volunteers from among Committee Members.

ACTION ITEM: Facilitator asks if it would make sense to pick a Brookdale Community College interior design project building and do a pro forma for one of those so we could present financial and visual picture. Yes. Agreed.

Lunch Break.

Next Topic: Representation on the Committee: Every year we have an opportunity to put out a call for new Committee members. This is the first year since the Committee was formed that we do not have any expiring terms but we do have a gap in terms of representation we might want on the Committee such as representatives from Sea Bright and Highlands. We'd like to solicit municipal representatives from those municipalities rather than opening a broader call. Tim Hill who worked for Highlands, retired but is still on the Committee.

Stacie Smith (Facilitator): Does the group agree it makes sense for the park to seek nominations for representatives from Sea Bright and Highlands? Yes. Consensus. Do you have ideas as to how to get the word out?

Jennifer Nersesian (DESIGNATED FEDERAL OFFICAL): We will reach out to municipal officials, it has to be someone from their government, not just a resident of the town but if you have recommendations, please pass them along.

**Next Topic - Co-Chair selection**
Gerry Glaser's term as co-chair has expired and he has been nominated to another term. He has prepared a written statement to be read by Jennifer Nersesian (DESIGNATED FEDERAL OFFICAL) at this meeting in his absence.

> *A business commitment prevents me from joining today's advisory committee meeting.*
>
> *At the December meeting I accepted the committee's nomination to continue in the position of committee co-chair. I am pleased to be a part of our effort to help the National Park Service revitalize Fort Hancock. I am especially pleased at having the opportunity to work with each of my colleagues on this committee to help accomplish our goals of preserving the history and culture of Fort Hancock.*
>
> *Special thanks goes to National Park Service staff who have worked long and hard to support our work and carefully consider our observations, advice and recommendations.*

*You each bring wide ranging personal and professional background, experience and interest to this effort. It has made our work successful and it has been a rewarding personal experience for me. Your commitments of time and energy are considerable – and invaluable.*

*One of the many distinguishing aspects of our work is the special role each of us plays bringing to the table, perspectives of the communities we represent. That's an important responsibility and has been critical to our progress. After all, as we have noted many times during our tenure, this park belongs to us all.*

*It is rare for a national park to have a committee of advisors like ours, with the mandate to think boldly about how to save this National Landmark. I am honored to be a part of this team.*

*Regards to all*

*Gerry*

Stacie Smith (Facilitator): We operate by consensus. Is there support for Gerry remaining the co-chair? There is consensus. Gerry will serve as a co-chair for another two year period.

**Next Topic – Operating Procedures**
Mike Holenstein submitted a handout which should be included here to address introduction of discussion items, discussion format, criteria for closing discussions. The end result is to make FACA more productive and put out a useful productive action that commences in a result.

Mike Holenstein: Where we fall short of the charter requirements, we do not make recommendations of concluded matters because we are not following the protocol set up. I went back to the operating procedures. What constitutes a report? Are the minutes a report? Are they sufficiently concise to be bulleted? Looking back upon them, we have no means of cataloguing the items we've considered for discussion, the actual items we have discussed, those we have tabled, and any outcome of action.
We are compromised in our ability to be productive. I'm not saying the Committee does a poor job, I'm saying we can do a better job.

We are supposed to be:

- Advising NPS on topics introduced by NPS
- Introducing topics that Committee members wish to initiate
- Making tangible recommendation to NPS in the form of a report communicated to the SOI.

So I have prepared some recommendations (see handout).
Today we talked about taxes, moorings, and climate change. One of the things Tony brought up was the issue of insurance relative to sea level rise. Though we had a short discussion, we did not come to any conclusion or actionable item. If we put together a report about taxation discussed today, it might result in some report we could use in a FAQ on the topic.

While we did discuss moorings, we should decide what action we want to take as a Committee, and put forth a recommendation to the NPS. There has to be a conclusion to the things we address in discussion.

Similarly, the issues brought up in the public comments should be catalogued and be searchable. Today's comments about MAST and Building #23 should be made available in a form that identifies the discussion, the result, and closure or recommendation.

Margot Walsh and Lynda Rose agree. Margot Walsh: When we discuss an item, we should have a resolution and make a statement on what the conclusion or consensus is among the group.

Mike Holenstein: There should be a part of the website that includes the minutes, and another that catalogues action items and recommendations so that there is closure and productive action taken as a result.

Jennifer Nersesian (DESIGNATED FEDERAL OFFICAL): Process wise, how would this work? Are the reports done during the meeting? Who is doing it? Is this in place of the executive summary? I understand where you are coming from. If I am new to this meeting or this process, I don't know where to look for the backstory about taxes for example.

Mike Holenstein: Also, why aren't all the minutes going back over five years in the same place?

Pam McLay: They are. Also, is it important to know the whole history of the tax discussion over five years or is it important to know the current status? This discussion has evolved a lot over the past five years. Tony Mercantante and Gerry Scharfenburger weren't even on the Committee when those discussions originated.

Margot Walsh: Last meeting Gerry ended the meeting by stating he wanted every meeting to result in Action Items (and those were to be incorporated into the minutes). Those action items were meant to be reviewed at the next meeting and the Committee is supposed to measure progress from one meeting to the next.

Mike Holenstein: Can anyone in the room state with any certainty what the procedure is to have an item placed on the agenda, to discuss an item, or to conclude an action related?

Patrick Collum: As the new kid on the block, I'm not sure we've reached a conclusion on anything. If we want tax relief and abatement is permitted, do we decide to pursue it or do we want to find an alternative method of relief? At the end of the discussion, we have no action item or solution. Someone should summarize the discussions and determine what we want to take action on whether it be now or an agenda item for the next meeting.

Mike Holenstein: Today's meeting had four or five action items but there was never a time where we as a Committee agreed that we are taking a specific action or closing a topic with a specific item.

Stacie Smith (Facilitator): Let's be clear about what we need to revisit and what it would take to close them.

Shawn Welch: Four years ago we had meeting minutes and we had a tracker of the action items required from each working group. We do have good minutes but we don't have a substantive way to address and track those action items.

Jennifer Nersesian (DESIGNATED FEDERAL OFFICAL): So it is not just the action item follow up, it is the resolution of issues discussed during the meetings and how that gets accomplished. The past meetings did often result in systematic close out of topics with close out/conclusions and recommendations to NPS.

Mike Holenstein: We need to take turns speaking after the being acknowledged by the Chair as we did prior. Also, we used to go around the room and have a few minutes to say our piece. Perhaps it's a question of a little more structure. Also, one of the things we do that we should reconsider is how we engage the public. The commenters are engaged from the floor whereas prior, we would ask questions as necessary. We need to go back to hearing them rather than engaging them.

Gerry Scharfenburger: It is more valuable to be able to correct misconceptions than it is to disengage. We need to layout ground rules before speakers come up.

Mike Holenstein: In many case, the public is not up to speed on the level of discussion or range of topics covered in these meetings.

Dan Saunders: We do not have consensus on taxes. We do not have necessary clarity. The outcome of the discussion is that we established a work group to come up with a pro forma/examples. I'd like to rewind though. Five years ago, when the NPS put this Committee together, there was no guarantee the NPS would be moving ahead with redevelopment. The Committee has done a tremendous job making this a realization and bringing this out into the public, transparently, and with support. There was tremendous opposition in the outside community, which you might not have known about, to tear these buildings down.

Tony Mercantante: Maybe we need to clarify that public comment period is for comments, not for questions. They can ask questions and we can acknowledge them for the record, but that does not mean they merit an answer on the spot - and NPS can respond as it feels necessary.

Several committee members state that this is the way we did it previously – listening to public comment instead of engaging the public commenter. We did not answer questions. Shawn Welch states the public comments we received during today's meeting are invaluable.

Stacie Smith (Facilitator) summarizes the consensus of the committee members present:

1. Public Comment – We will return to a more formal process with a fixed public comment period. We will not engage, however we may ask clarifying questions if the commenters are so amenable. If there are substantive questions from public commenters, they are to be referred to NPS outside of the meeting. The Committee is free to discuss any of the comments or questions once the public comment period is closed. The subsequent discussion is outside the scope of the public comment period. We will adhere to time limits for public comment. We should clarify in the instructions for public comment that the Committee will not respond to questions posed during the public comment period (though nothing prevents a Committee member from adding a follow up discussion to

the agenda at the close of public comment as a result of any public comment or related question).

2. Action Items and Decisions – We need to hold ourselves accountable to following up on those and checking in on their progress. We go over the open action items at each meeting, determine what needs to be done to close them out, and carry all open agenda items forward if incomplete.
3. We must have resolution, conclusion, consensus, or advice for every issue we discuss. We have to be conclusion oriented on every item we discuss on the agenda.
4. Tent cards must be utilized to speak as they were in the past. The Facilitator will call members to speak with a measure of co-chair prerogative to steer the discussion.

Stacie Smith (Facilitator) goes back to the agenda. The way we get things on the agenda is over the course of the bi-weekly meetings with the co-chairs. Members are free to identify things they want to see on the agenda at any time. NPS and co-chairs are free to make a call for agenda items at any time.

Moorings: We have a working group. Gerry Glaser is a chair and the group has not had a chance to meet though we expect more tangible results by the next meeting.

Lynda Rose points out that placement of banners along the shore line is an action item she wanted to address. Also, Chamber's River Fest and Expo are coming up. Lynda will be in touch with NPS to address representation at those events.

Shawn Welch reminds the committee that banners, signs and general advertising regarding lease availability (web site links, etc) have been requested by the committee to be posted in the post area on several occasions over the past two years.

Public Affairs: New Jersey Travel & Tourism gave us permission to be a web author and NPS has provided updates to the NJ Travel and Tourism website about GATE. Additionally, all of our information posted on the Monmouth County Travel and Tourism website is correct.

Stacie Smith (Facilitator): We will add the "go round the room" for committee member comments back to the end of meetings starting today.

**Closing Statements ("go around the room"):**

Lynda Rose: Mike Holenstein, you are dead on, we have to listen to each other. We are here because we believe in this project.

Margot Walsh: This was a good refresher project. We've been together so long that informality has crept in. Bringing it back into focus regarding operating procedures is effective.

Patrick Collum: Last half of the meeting was most effective

Gerry Scharfenburger: Expresses a desire to have Representative Pallone and State Senator Kyrylo's into one of these meetings. Gerry Scharfenburger also wants us to know that he is running for NJ State Assembly in District 13.

Mike Holenstein: Thanks NPS staff

Margot Walsh: Senator Kyrylo's says never be disappointed in what hasn't happened yet, just always congratulate yourself on what you have accomplished already.

Dan Saunders: Progress takes time, we've made a lot of progress. Dan thanks NPS.

Mary Eileen: Getting going takes hard work. NPS is her hero for protecting lands and history, and for making progress with the leases.

Karolyn Wray: Thanks NPS. Thanks Mike Holenstein for his insight and for pulling us back to accountability, and for running a tighter ship.

Shawn Welch: Thanks to NPS staff and has seen a lot of progress in terms of documents shared today. Seeing the LOIs, seeing the leasing update, assures him. Thanks Mike Holenstein for generating this discussion. There needs to be a wall of separation between the public and the Committee with regard to conduct and operations during our meetings.

Jennifer Nersesian (DESIGNATED FEDERAL OFFICAL): Appreciates the discussion and understands that working together for so many years makes it easy to be informal. We are taking healthy and productive steps.

Pam McLay: Thanks Dan for acknowledging all the hard work we have done over the past five years. We are finally seeing the progress in the form of executed leases, LOIs, qualified applicants that are submitting applications.

Lynda Rose: Thinks our Facilitator is an excellent facilitator.

Jennifer Nersesian (DESIGNATED FEDERAL OFFICAL): One parting thought, spring is the season for real estate.

Meeting Adjourned 3:09 PM