

Fort Hancock 21st Century Federal Advisory Committee
Meeting #19 Summary
Sandy Hook Chapel, Middletown, New Jersey
December 4, 2015

Action Items:

1. The park is working on a rehabilitation handbook.
2. Sub-Committees are necessary for:
 - a. Fundraising/Grant Work Group:
 - b. Outreach Work Group: Which exists but needs to be revitalized
3. The Committee is to identify a new co-chair by consensus. At the next meeting, each co-chair nominee will have a chance to speak and the Committee will make a decision thereafter. We will find a way to include a member who will not be in physical attendance.
4. Develop a program with Brookdale Community College Design and/or Architecture programs.
5. Burry will work with the fundraising Subcommittee to find funding to open a gym for MAST at Sandy Hook.
6. NPS and the Committee will work on an open house for Non-Profit Organizations. Tyler, Karolyn Wray, Welch, and Glaser agree that we will call previously interested parties. McLay will schedule a meeting with the above identified Committee members.
7. Members of the Committee will create a Sub-Committee to identify funding in the form of grants, donations, and other funding sources that could be used to stabilize buildings. This Sub-Committee may also work with the Sandy Hook Foundation in this capacity. Welch and Mayor Stephanie Murray will be on the group, as will Stevenson, Glaser, and Tyler. Lynda Rose, who was not present today, was volunteered for this group by others.
8. Tyler, Wray, Welch, Krauss and Glaser agree that we will call those previously interested parties from the RFEI. McLay will schedule a meeting with them.
9. Middletown authority to tax proposed Lessees. Abatement from Middletown Taxes/PILT and discussion of Community Host Agreement.

Decisions and Key Points:

1. Decision: We have made the decision to waive the CAM for the life of the lease for the first five leases. We want to keep moving forward with the first few Lessees that have been selected and want to provide an incentive to the additional pioneers which may come forward.
 2. Key Point: As Ehrler suggests, leaseholders should “consult early and often.” Submission to the park from proposed Lessee should include annotated plans and elevations. NPS is not asking for full Architectural drawings up front. At this early stage, it is schematic design the park is seeking. The park will review and submit for SHPO review.
 3. Decision: Co-chair terms are for two years and will be so noted in Operating Procedures.
 4. Decision: Co-chairs can be removed by the Committee by consensus at any time and will be so noted in Operations Procedures.
-

The meeting was called to order at 9:14 am by Designated Federal Officer Jennifer T. Nersesian.

The next several meeting dates needed to be decided. Based on a survey of committee members, the following dates were offered for approval (all Fridays): February 5, April 1, May 13 and June 17.

Consensus was reached on those four dates. A notice will be published in the Federal Register as required by the Federal Advisory Committee Act of 1972.

Nersesian reintroduced our facilitator Stacie Smith as well as James Grant, Gateway National Recreation Area's (GATE) new Chief of Facilities and Project Management. He rejoins the park after working for four years at Grand Canyon National Park.

GATE Superintendent Report:

- The Building 26 porch has been completed in partnership with Hands-On Preservation Experience (HOPE), a youth training initiative, and their partners New Jersey Youth Corps Phillipsburg. It is a really nice success story. It gives young people new skills by getting the porch done, and spreading preservation skills among a new generation. A special thank you to Guy Hembling for his help with the program.
- Marine Academy of Science and Technology parking lots are being resurfaced. There is also paving underway on Hudson Road.
- Work on the beach centers is also ramping up. Areas G and I will be getting retail areas and mobile service accommodations. Area D will be fixed up to accommodate mobile, food and beverage, and retail.
- Work on housing, the Fort Hancock museum, History House is underway and we hope those will be finished by spring. We are getting ready for ribbon cuttings.
- Telecommunications is underway and is being installed at the south end in January. We hope to be online by end of 2016 at all facilities. The Environmental Analysis for new maintenance facilities should be out shortly for public comment. The alternative we are moving forward with is to reuse and rehabilitate existing structures.
- Building 7, the Officers Row structure that NPS has committed to investing in, has new patches on the roof. The park is moving forward with the scope for bigger work on those.
- Work on the observation platform on North Beach is also underway. The new platform should be done over the next few weeks if the weather holds. It will be exciting to have that back up in the spring and thanks to Friends of Sandy Hook for making that happen.
- US Army Corps of Engineers (USACE) is working on an unexploded ordnance (UXO) project and will be out here during the next month to examine the east side of maintenance area and Hartshorne Drive. USACE will be doing a plan to address UXOs on a greater scale over the next few years.
- USACE continues dredging over the north tip of the Hook.
- Regarding the recent Call for Nominations to this committee: We had a good response. All current members are fine for continuing in the interim. We are not looking to expand Committee membership, having just brought on a cadre of new folks, but there may be some holes in the areas in which we could use expertise. We might need to fill in connections with our operating procedures, which we will be going over today.

Sandy Hook Unit Coordinator Update:

- The Park has been working on cleaning up structures along Officers Row. We have cleared a lot of vegetation from the exterior of buildings. In September, we cleaned off the back of all buildings on the parade grounds side of Officers Row.
- Regarding mothballing, we got an 80 foot lift which we will use to replace missing plywood on a number of buildings. Building 114 is great example.
- One of the key things we discovered with respect to Building 7 is that in spite of the roof patch we just did on the asphalt, the rate of deterioration is much faster than we anticipated. We will continue to patch the asphalt roofs on other buildings as long as the weather holds out.

- Gerard Glaser, Committee co-chair, asked for an update regarding plans for Building 23, which suffered a partial collapse this spring. GATE Superintendent: We finally got cost estimates and have a better handle on what our options are in terms of total demolition, partial stabilization, etc. Demolishing is half the cost and we are just now considering our options. Michael Holenstein asked, does demo cost include salvage? Sandy Hook Unit Coordinator: The Park does not have this exact answer. We just got this information and will explore our options.

GATE Historical Architect – Section 106 Recap and Resiliency:

- During the last meeting Dan Saunders, who works for New Jersey State Historic Preservation Office (SHPO), took us through a presentation. GATE Historical Architect Marilou Ehrler recapped last meeting's presentation and took questions about Section 106 requirements, how to meet the Interior Secretary's Standards and facilitate approvals at the park, which takes a few weeks at the park level. The park makes a determination of the level of effect a proposed action will have on the property, then goes to SHPO with the Park's review of the level of effect. If SHPO concurs with park consultation/conclusion it moves ahead. If it does not meet the standards, it is considered an adverse effect and the Park will consult with the applicant [proposed Lessee] to mitigate those adverse effects. The park and SHPO will work with applicant to mitigate adverse effect, depending on the level of the effect, which can be negotiated. If the adverse effect is significant enough, it will delay the project. In some cases, where the adverse effect is significant enough, the project is not authorized to proceed and then a conversation with the Superintendent is required.
- Q from the Committee: What is the timing and at what stage do we know that?
- GATE Historical Architect: Consult early and often.
- We (the Park) have been asking for annotated plans and elevations from applicants (proposed Lessees). We are not asking for full Architectural drawings up front. The Park is also working on a handbook. At this early stage, it is a schematic design that we are seeking.
- Nersesian: Before we even get schematic design, we are working together to develop protocols. We are not simply waiting for submissions.
- Ehrler: There is a potential Lessee here today and we will work with him to answer questions before we require submission of drawings.
- Holenstein: The position is largely the basis of not understanding the process and the 106 presentation is helpful in answering the questions and providing knowledge and information.
- Ehrler: We work with SHPO all the time and have conversations before we move forward. It is a pretty straightforward process for those who have been through it before. It is always a balance. The other thing to understand is that you look at the project as a whole, not at each element. A rehab is a balance between reuse because continued use is the best form of preservation against what you need to do to occupy those facilities because you are not going to occupy the facilities as they were originally constructed or as they were left in 1970. For starters, they do not meet any of today's energy standards.
- Glaser: Not understanding and not knowing about access to the information by the Lessees is a concern and having Ehrler here today is very helpful. Also, having a handbook is very important so we can provide the community with a schematic as to what must be done. Anything we can do to provide help with the handbook as it is prepared, many of us would be happy to do so. The more information we can put out, the more expedient we can be. Anything we can do to help get the word out, we understand. We know there are time sensitivities here.
- Ehrler: SHPO and NPS have been working together. We have been going through the buildings together and are aware of the current building conditions. We are beginning to negotiate tax credit issues as they pertain to the facilities with the tax credit program personnel so we can be proactive. We had a meeting with SHPO on site approx. one week ago and are moving ahead with WASO.

- Glaser: Looking at this in broad context, realizing that this is part of a bigger picture is important.
- Ehrler: Other questions?
- Welch: Part of what you said about the whole building considerations and the trade-offs that must occur within discrete elements of the project is a key element we must address in the forthcoming handbook. It will be interesting to watch as we move forward.
- Linda Cohen: We are delighted that you are being so proactive and investigating each building and documenting what you find. The conditions are remarkable and noticeable in spite of the difficulties.
- Katherine Stevenson: The [park] preservation staff wants these 3 buildings preserved (referring to the buildings for which leases are being negotiated) and is going to do everything they can to make sure that happens, Rather than feeling they are against you, it is important to know they will do everything to support those buildings and you should feel comforted and supported.
- Facilitator asks if there is a timeline by regarding completion of the handbook.
- Ehrler: There is another meeting scheduled and McLay is involved.
- McLay: By the next meeting we should have something to share.
- Ehrler: Continues with next part of presentation. This past summer GATE's Division of Cultural Resource Management had a climate change intern hired through a grant. She was asked to focus on how to make the facilities more resilient and focus specifically on Building 7. The intern gave a presentation to GATE's Senior Management Team in August and Ehrler has been asked to give that presentation today. What we focused on was how we can make these facilities resilient in a big picture whole. Can we rehabilitate the buildings and meet LEED building certification. There have been publications recently that address adapting buildings to be resilient. NPS is working on this diligently. We are trying to understand sustainability and adaptation, and use elements to develop a portfolio of green technologies. We have been working on these all along but even more so since Sandy.
- Disclosure: there was a fire in Building 7 in the early 1940s, so modifications to building were made. Those modifications however, were made during the period of significance, and are significant in terms of SOI Standards. The whole LEED certification system has been overhauled in the last few years and the intern looked at it from micro to macro. One thing we looked at was low Volatile Organic Compounds (VOCs). NJ has one of strictest laws about toxic material. Another issue is landscaping and shading which must be replaced. We have a shade tree proposal.
- One of the biggest issues is the flood zone we are in. We will be putting flood vents in buildings. Building 102 is one of the buildings that is getting flood venting. There is also something called "dry flood prevention" in the form of barriers to water entry at basement level windows, which can be removed after a storm.
- Solar is also big consideration. Solar roof shingles are now available instead of the former larger panels. This is important because we do not have a front and back of our building. The parade grounds side is also a front of the Officers Row buildings. We are considering how we might incorporate the shingles on other elevations. Dow has developed the product we are currently looking at. The buildings with flat roof garages are another option. The solar power is probably not enough to run your entire system. Solar panels may be enough to power lights in a facility but not enough to power A/C. Absent a battery backup, which is expensive, you may not be able to rely on solar collection during outages. Tesla is developing a battery back up the size of refrigerators.
- Regarding heat: The majority of heat in a building is lost through the roof, not the windows. Since we know that hot air rises, a lot of people are going to radiant heat. You CAN install radiant heat on wood floors. It is installed in the basement and a layer of insulation is added above. There are also resilient water systems that can be considered. Also, geothermal is one method of heating that the park is interested in. We are trying to "gang" the buildings but the cost right now is prohibitive. There are things we can do, such as weatherization of the all sashes and

windows. Ehrler advocates for use of storm windows and repair of existing window. There is an off the shelf wood, triple track storm window that was purchased at a local hardware store.

- One other resilient measure we can consider is solar shading. We have a large heat load in the summer that comes in from the west. I would recommend solar shading on the upper floors of the Officers Row buildings.
- Other green technologies include use of energy efficient appliances and bulbs. Fireplaces can be converted to gas or other types of heat (no wood burning). Instant hot water heaters or recirculating hot water heaters can be used for faucets (if not for showers). Also consider use of automating mechanical systems (programmable thermostats and other systems). Digital displays for heat and electric consumption could be installed. We are considering that as an educational tool in building 7 to show what the cost savings could be and how much energy consumption occurs at each building.
- Also briefly discussed were wind turbines off the coast but that is not likely to happen at Sandy Hook due to its designation as an National Historic Landmark (NHL). Perhaps we can be connected to wind farm offsite.
- This is an overview of things we are considering and we would like to implement as much as we can.
- Jeffrey Tyler: Regarding solar panels, and not placing them on the west face, why wouldn't we?
- Ehrler: The west is the primary "face" of the building and also because the shade from the ridge and the dormers may impede the use. We have a representative coming out for further discussion. WASO does not consider secondary façade in their analysis – they consider the buildings as having two primary facades.
- Michael Walsh: Is there objection by historic tax credit folks regarding the commercial nature of installing a solar facility and the issue with grids? Has the issue as to whether it is a private installation and excess energy and whether that is a commercial enterprise entered into the discussion?
- Ehrler: While we were doing the GMP, there were discussions about having solar fields at Fort Hancock. The tax credit folks do not care about sale of solar energy back to the grid.
- Glaser: This is great - talking about Building 7 as becoming something of a model for potential Lessees to consider. Is it realistic to consider some of these resiliency options for Lessees right now. For example, if the proposed Lessees came to the park and asked if they can do these types of projects now, would it be allowed?
- Ehrler: We are having these discussions with WASO and SHPO to determine whether any of these alternative energy methods, such as solar shingles, are an adverse effect, or whether we can proceed with them.
- Nersesian: It may benefit the Lessee from a tax perspective. We would like to make it easier for Lessees.
- Glaser: There are quite a large number of solar panels on the beach pavilion structures (beach areas) and those were active for some time. Are those still active and are we feeding in to that grid?
- GATE Chief of Facilities and Project Management James Grant: We received funds from the Recovery Act to install those panels and we had no issue with installation and cost. WASO had issue with the types of agreements being implemented to sell power back to the grid.
- Glaser: Wind. He understands the issue with putting giant wind turbines at Sandy Hook but at Chrissy Field there are five experimental giant turbines and they are different from the giant, horrible, bird-killing machines. There are many wind turbines that are eco-friendly and viable.
- Ehrler: I am not sure that wind turbines are viable here, even if Chrissy Field is an NHL.
- Glaser: There is also one of those experimental wind turbines on the mall at in DC. Glaser will send us the link to it.

- Holenstein: Wants to differentiate between tax credits (incentives to green energy) and historic tax credits (incentives to rehabilitation). Historic tax credits require a commercial endeavor. Maybe you could link green energy as a commercial venture.
- Stevenson: That is an IRS question.
- Ehrler: The State of NJ has some state level incentives for energy efficiencies which include solar.
- Stevenson: You can double dip. You can get low income housing tax credits which are linked with other tax credits.
- Linda Cohen: Asks about ocean energy.
- Ehrler: There are many methods of ocean energy that could be implemented on shore, in the bay, on the ocean. There are buoy methods and the impact from a visual standpoint is not as bad as typical impacts. There may be natural resource implications.
- Welch: Is it enough energy to have solar at Sandy Hook?
- GATE Chief of Facilities and Project Management: When we did the analysis in the winter, we learned that you cannot exceed (in sell back) the amount of energy you consume in terms of solar.
- Welch: If you lose electric grid power on solar, you must have battery back-up. Solar energy fluctuates and the power grid or battery backup stabilizes those fluctuations.
- Ehrler: The solar is great for reducing our impact but there is no power in a black out absent a battery. The size and cost of the battery is a bar to solar energy. That is quickly changing and improving.
- Shawn Welch: The Army has installed many solar farms. In the aftermath of Hurricane Sandy a number of senior leaders believed that the solar farms in the affected area could provide power when the electric grid was down. This proved to be inaccurate unless there was significant battery backup. Solar power generation is erratic and it first must be stabilized before it can be used. Stabilization occurs either via the power grid or battery backup systems. It is important to understand that absent a substantial battery backup system, solar power only works when the grid is powered. Absent a battery backup, solar power provides benefit when the grid is active.
- Ehrler: But it is something we would like to consider as we move forward.
- Welch: in the future, batteries may be a more viable option as they shrink in size and cost, and increase in capability.
- Glaser: Is there any option available for taking advantage of the edgier or experimental technologies. Can the park go to WASO and ask for credits for use of wind turbines, batteries, or other experimental technologies even if the overall effect is not yet known?
- Ehrler: WASO endorses green technology. It is a matter of how we frame it and present it to WASO.
- Mike Walsh: A lot of people installed gas powered generators post Sandy. Could Lessees do that at Sandy Hook?
- Ehrler: We would have to consider where it would be located and the elevation. There is not natural gas here. If you chose to use propane, you can run your generator line off propane.
- Holenstein: We have a tendency to think of solar from the consumption perspective where we create a green energy source and get tax credits. We consider it a revenue neutral solution but the life cycle of the technology requires us to think of how those are recycled or replaced at the end of the life span. People are not planning for the future in recycling of batteries and cells. You have to think about the turnover after the 20-25 year life cycle.
- Ehrler: We as owners of multiple properties do not often think about maintaining facilities. The rule of thumb is \$2/sf. One dollar for what you are maintaining today and one dollar for the maintenance you have to undertake in the future. If you do not consider the future cost of maintaining facilities, you are naïve – especially when some of the materials you are replacing 25 years down the road are toxic hazmat that have a cost of disposal.

- Welch shares a similar example of the army’s decisions surrounding the changeover to CFL bulbs and the follow on awareness of the disposal requirements for CFL bulbs and the costs involved.
- Stevenson: A lot of people do not think about the ways to conserve energy that rely on shading, for example. Shade trees, solar shades, awnings, etc.
- Welch: On the committee website is a Department of Defense (DoD) sponsored report regarding reuse of pre-WWII permanent construction buildings and how they can achieve LEED Silver for much less cost and investment compared to new construction.
- Ehrler: Something as simple as adding ceiling fans and attic fans to add ventilation makes a difference.
- Nersesian thanks Glaser, Oliver, for the NPCA Climate Change workshop that took place here, and Hailey Ramos – the intern who compiled the information on green and resilient technologies.
- Thanks to Ehrler for the presentation from members of the group.
- Tyler: At the time FOHA was constructed, state of the art materials were used. That is why the buildings are still here. How much of the current preservation is based on the construction as it was?
- Ehrler: SOI Standards apply to all federal agencies, not just NPS. Army would have to abide by Standards if they still owned the facilities. It is a balance of the whole. For example, roof detailing was not always good in the past because water pooling was not properly considered. By adding a flashing detail, which is not historic in nature, there is a balance for good use and care of the facility. The buildings are still here because they were well constructed.
- Welch: The Army’s permanent construction standards of years ago created buildings that lasted a long time with very limited annual maintenance costs. These standards are very robust, and expensive during construction. Annual maintenance and repair however is low over the short run and mean time between failures is much longer. The down side is that once a major component requires repair or replacement (examples include slate roofs and plaster on lathe interiors), the costs are significant. The Army has since implemented modern building standards for construction referred to as “Military Construction Transformation”. Construction costs using these modern methods are much reduced, but, so is the life expectancy of these facilities. Additionally, it turns out the annual maintenance and repair costs for buildings made out of modern, cheaper and less robust materials is significantly more expensive than pre-WWII construction.

Common Area Maintenance Fees – Presentation and Discussion:

- Presentation by Michal Wisniewski. Theoretical Case Study of CAM Charges in the future (Sandy Hook).
- Group is asked to hold questions until the end of the presentation which can be found on the website.
- Definitions:
 - CAM: Cost of services from which all facility occupants benefit. This is the focus of the presentation
 - Utilities (and Directors Order #35B). Utility rate will be composed of cost of providing utilities as well as cost of operating and maintaining the utilities). Across the Sandy Hook peninsula, the park provides the utilities. Determining DO 35B costs is a work in progress.
 - Taxes: Local tax assessment
- Lessees will be responsible for Rent, CAM, Utility Reimbursement, Community Host Assessment, and costs such as Electric, Phone, Internet, TV, Etc.
- Adding up the total costs of operations will give us the per square foot per occupant.
- We will look at costs Middletown assesses as a comparison.

- Occupancy of FOHA: NPS is the largest occupant of FOHA facilities (157 buildings over 1mm sf = 90% of Sandy Hook facilities). Other occupants = 10%.
- Hypothetical Operational Costs is a work in progress. We are still refining these figures but those we present give us a good indication of what we can expect. Total Sandy Hook Operations cost approx. \$3.5 million annually, \$2.1 million of which is FOHA specific. We weigh the cost of Sandy Hook beach operations costs vs. the remaining costs and have arrived at a 40/60 split in costs for the year.
- We take those costs and allocate them in a hypothetical showing that of the costs allocated, only \$200 K is allocated among the remaining 10% of FOHA facility occupants. On a per square foot basis, we compare with Middletown Township to see how this compares overall.
- Hypotheticals include Year 1 and Year 2 numbers. Year 2 has a 3% increase over the prior year. It is typical to build in a burden rate. The increase between Year 1 and Year 2 as shown in the hypothetical is nominal overall.
- Looking at the Middletown Township 2014 budget, the breakdown is categorized.
- We compared the tax levy rate against some homes currently on the market (similar in size). The Middletown average taxes per sf = \$4.28. NPS anticipates a rate of between \$1.50 and \$2.50 psf. Theoretical CAM rate at Sandy Hook is \$1.79.
- Nersesian: This is an area where we need the Committee's involvement. We are trying to create a solid business model for the type of services Lessees will expect and the ability to provide those services while balancing the costs against similar ones imposed by municipal entities. These give you a sense of magnitude and we will be refining these numbers. Please understand this is an evolving process, and that NPS must calculate these numbers. We are asking a lot of our pioneering Lessees to take a plunge and so *we have made the decision to waive the CAM for the life of the lease for the first five leases. We want to keep moving forward with the first few Lessees that have been selected and want to provide an incentive to the additional pioneers which may come forward.*
- Cohen: As a Middletown resident, I know that waterfront has been so heavily taxed. It does not look like you built that into your model.
- Michal Wisniewski: That is true but aside from the proximity to water, this is a different environment. We have calculated a possible range of savings over the cost of a lease term that will save Lessees \$300K to \$500K.
- Guy Hembling who joined late: So there is no tax on these properties? What about flood insurance?
- Nersesian: We are not saying there is no tax on these properties. So far the conversations we are having indicate that there may be a way to get flood insurance, which is a requirement of the RFP.
- McLay: If the Lessees are unable to obtain flood insurance, we will have to address this with WASO.
- Guy Hembling: Are we still negotiating with three people?
- McLay: Yes.
- Stevenson: Is the \$3.5 million figure based on negotiations with three Lessees?
- Wisniewski: We built these figures based on costs that are not refined. It includes year round operation costs.
- Stevenson: Does that number account for increase in the future as we grow to capacity.
- Wisniewski: This case study assumes the rate is locked in for 2 or three years and that it will be trued up every so often. It will be a very flexible rate.
- Tyler: If you assume you are going to be full occupancy and base your budget on that, right now you are saying that the costs are based on what the occupancy is today. Also, regarding comparison to Middletown, the \$1.75 cost is not bad, but if you take out the land assessed, you get a different analysis.

- Wisniewski: That is a good point and we will have to depend on Middletown for other services such as back-up fire and police but we also think there is a great value in the land at Sandy Hook.
- Tyler: But you do not own the land, and so you do not accrue the value.
- Nersesian: We had a meeting with Middletown earlier this week.
- Mercantante: What we are looking at is determining a range of a psf value depending on what the buildings are to be used for (residential, B&B, office). Mercantante used a range of \$200/sf in his calculations. The range according to his scenario is similar and Middletown has factored out the value of land. The Lessees will get some services from NPS and the Lessees have extraordinary development costs and so we are estimating a discount of 55% which results in numbers similar to what NPS has. So using a 4,000 sf facility, as a B&B, Middletown will abate fully for the first five years and then implement a gradual tax to Middletown since it is essentially a ten year work up to full value.
- James Krauss: Thanks Middletown and asks Lillian Burry if the County will match that?
- Mike Walsh: Points out that county share is only 14%. Considering the property is not owned by the leaseholder, it is terrific [not sure what is terrific].
- Mercantante: This is not a payment in lieu of taxes – we have to call it something else. This is applicable to the entire tax bill and we have essentially done it for the county whether the county likes it or not (the county is not getting anything from those buildings now).
- In response to Tim Hill’s question on the rate, Wisniewski points out that the current rate fluctuates from lease to lease. The Superintendent reserves the right to review this issue.
- Nersesian: We already address this on some level with the partners we have. If there is an element to the project that benefits the greater public good, in this case rehabilitation of the buildings, we are willing to forego costs to the extent we can.
- Welch: What is the anticipated load to Middletown Township services?
- Mercantante: My gut feelings is that EMS, Police, Fire will be most highly impacted as a result of higher occupancy. Also, going back to solar, I am assuming this is going to be a Lessee’s decision. Solar panels have injured firefighters across the county who assume power is out during a fire, which is not the case with solar panels. It may require additional training.
- Welch: Municipal services are akin to buying something by the yard and using by the inch. Incremental use does not always translate to incremental costs. It may take a lot of use of one service to trigger increased costs being incurred...i.e., use that is directly generated by the new lease holder. And you will have to look at this every year or so. Fort Hancock post will require 24 hour firefighter presence once those facilities are filled. Initial NFPA response times cannot be met by local EMS. Right now, during the winter there is only day time EMS service. But full time EMS was provided pre-Sandy.
- Nersesian: It is a requirement that as soon as there are residents out at Fort Hancock post, there must be residential fire fighters.
- Welch: What we are looking at now will change with occupancy. Full time EMS year round was in the pre-Sandy NPS manpower structure.
- Burry: I see the County as a partner similar to the manner in which they are partners at Fort Monmouth. The State police are the responders at Fort Monmouth. The County is responsible for making sure that MAST students have access to the hook during snow events. This will continue.
- Welch: Understanding true incremental costs will be an issue. If you have the capability to do it, you have to put prioritization in the structure.
- Cohen is confused about financial obligations.
- McLay: RFPs address CAM charges, Utilities, and similar financial obligations.
- Holenstein: The \$3.5 million, is that the approximate current annual budget?
- Wisniewski: No, that is a snapshot. It does not include supplies, equipment, a number of other related costs. There are factors that we did not calculate such as the costs of raking beaches, costs

of seasonal employees, or HQ staff – it only includes base staff for the Unit. We focused on the historic post's costs.

- Holenstein: Does it contemplate occupancy at current rates or at full occupancy?
- Wisniewski: It contemplates occupancy today but that rate will also be reviewed every so often and will be fluid.
- Holenstein: So this is a snapshot of what it costs today.
- McLay: One of the other challenges is that we do not know if the community will have year round residency. That is something we will learn as we go along.
- Holenstein: What is the Federal Government's position on taxes?
- McLay: The Federal Government cannot pass on tax exempt status to a leasehold estate. We are required to include tax obligations, if any, to local, county, and state government as a term of the lease.
- Holenstein: So you just have to have the assessor determine based on the rate structure. Where you get into a situation is where you assume there is an "in lieu of" situation. The simpler view is based on the building's value and the assessor's decision to decrease the percentage.
- Mercantante: We do not have the authority to tax. There are no block and lot numbers on these properties. It is essentially a PILT (payment in lieu of taxes) but is being managed as a "tax agreement" because there is no land to tax.
- Stevenson: The only thing the park is required to collect is the cost of utilities. The park has flexibility with other costs.
- Nersesian: Yes. We do not want to impose costs so high that they are disincentives.
- Glaser: So we are talking about two levies: the park's number and whatever Middletown comes up with.
- Stevenson does not believe the above summary is correct.
- Nersesian clarifies: That is correct. This process that we went through was undertaken to determine what our real costs are and how we can pass those on to potential Lessees. McLay staff and Wisniewski have done a really good job portioning this out. The Middletown portion is a discussion of what our costs cover and what portion of those services are provided by Middletown. We do not want to double dip and collect for services that Middletown is collecting. I am glad that Middletown is here discussing it with us and working with us in partnership.
- Glaser: My thoughts are going to focus on policy, which is where we can contribute in a significant way. The park has made it clear to the Committee from the beginning that they are not in it to make money. Whatever developments result this is already the people's park and I want to introduce a policy level conversation. There is the opportunity for pioneers. Maybe there are other models we can explore to "ease the pain" such as a cohort model (5 leases for which CAM will be waived). Maybe we could give every new lease some sort of grandfather period so that you could have some decreasing liability as you come on board. Maybe there is some decrease in liability you could provide to the non-profits who are not paying anything. We should think of other ways as to how the park can consider waiving costs.
- Stacie notes there are five people waiting to speak but we only have five minutes until public comment.
- John Ekdahl: I noticed paving at MAST. Is that assigned to the \$3.5 or is that separate?
- Nersesian: That is MAST but there are infrastructure improvement costs that we have to consider outside of that.
- Wisniewski: Projects are planned ahead of time. Deferred to GATE Chief of Facilities and Project Management who explains that CAM charges do not include capital charges, they are just maintenance costs. Once we start talking about #35 B, capital costs are addressed. Capital work aside from utilities is not included.
- Wisniewski: Those capital projects will be amortized over 30-40 years and that is how it is calculated. No one will be hit with a large increase.

- Tyler: I am assuming that MAST includes the parking lot and they bear the cost of repair. But there is not a current agreement with Middletown in terms of services provided? Are you making payment to Middletown? There is discussion about payment from NPS to Middletown, payment from Tenants directly, but now it will be addressed as part of a **Host Community Agreement**.
- Mercantante: We will probably not charge anything to non-profits. If they occupied facilities in Middletown, they would not pay taxes but they would pay for services so the CAM is not eliminated.

Public Comment starts at 11:30

- Warren reads the rules.
- Brian Samuelson: Potential Lessee. Has some general questions. Is it cheaper to have all the buildings fall down in the next ten years? Put yourself in my shoes. You want to save one of these buildings. If I am lucky enough to jump through all of these hoops, and meet the standards, and have a pile of money because I cannot get financing – I see a jurisdiction issue. I have never seen a police car out here. The only cost I see to Middletown is if any of the Lessees have children that need tuition. I do not see any other benefit to the Lessees. First responders are usually the closest and in this case that is Sea Bright or Highlands. As for flood insurance, I am talking to my insurer. I am unable to get flood insurance on a property I don't own. I can only get insurance on the contents. I forwarded this information to the appropriate people at NPS. I've been coming out here since I was a little kid. There are tons of hoops to jump through. It is cheaper for Middletown to have 10 Lessees out here spending their money. Maybe \$250K - \$500K. The rush to penalize us... The cost to demolish the barracks at #23, I hope some salvage comes of that. There is a rush to tax and theories about what it costs are being considered in terms of what it costs to run the fort but what about the number of visitors that come to the beaches every year? Those barracks are falling down. Maybe you should not penalize me but incentivize me. I can't write off a CAM charge and it is going to cost me a ton of money to rehabilitate the facility. The only cost to Middletown is tuition. In the 1970s all the local kids went to the Middletown School system and as far as I can see, the Township absorbed those costs. You'd have to be crazy to put your own money into this and I am willing to jump through those hoops. For example, there is an arbitrary requirement that I use propane and I am trying to get a waiver. It will cost me \$10K to get a tank, bury it, and the buildings are not heat efficient. Also, Welch pointed out that military provided costs for schools beginning in the 1950s. That is great – we do not have to reinvent the wheel. Propane is one of the recent obstacles I am wrestling. It is cheaper to get 10 of us in here than it is to let the buildings fall down. Let's not overburden the people that are trying to help.
- Cohen: Is the school budget 62% ? Mayor states that school sets up its budget and Township is required to collect. There is additional discussion about school budgets. Rumson will accept tuition from non-residents. Middletown Township Mayor proposes that perhaps there is going to be a different tax rate for people with children in the schools.
- Public Comment – any additional questions? No additional speakers?
- **Public Comment is closed.**

Announcement:

- During the Committee's working lunch Glaser wants to discuss what the park thinks they can get out of the Committee going forward. This is the Committee's opportunity to set the agenda. Many people have indicated that the Committee has done the heavy lifting and wonders what is left.

Post-Presentation Discussion (CAM, Taxes, and other topics):

- Back to comments about presentations:
- Mike Walsh: Thanks Middletown for taking into consideration that most Lessees are not likely to have children requiring education from the Township and agreeing to come to some arrangement.

He knows school budgets are a huge consideration for all municipalities, and that taxes are deductible for land owners, not here for the Lessees. If we are talking about a tax, let's just call it a tax. We can look at comparables and see what it costs if you purchase. I think this process already contains a value of the lease. I think when people negotiate the value of the lease, they have already addressed those costs. I think that we should talk about whether the value of the property is X for taxes and X for the value of the rent to leaseholders.

- Tyler: Except that if I put \$2m into a building, the value is greater than someone who puts \$1M into a building down the road. But from Middletown's point of view, the use is the determinant. If I have an orphanage and am sending 20 kids to school in Middletown, that changes the variables. Otherwise, boiling it down to square feet seems to be the simplest way.
- Hembling: Is garbage part of the CAM?
- McLay: CAM is part of Grounds.
- Hembling: Who is going to be doing inspections?
- Nersesian: That is not resolved but we are working with Middletown to address it.
- Hembling: So Lessees will have to pay that charge to the inspector?
- Nersesian: We are still working it out. We are not sure that we will require Building Permits.
- Hembling: What about brick? All the brick out here is not commercial and specially sized. Property owners will have to spend \$30K to get 10K of bricks they don't need. Will NPS buy bricks and sell them back to Lessees as needed?
- Nersesian: We can think about those types of issues and address economies of scales. Also, we do have certain stashes of materials that we can make those available.
- Hembling : Is there any chance that gas service will be available out here?
- Nersesian: I do not see it as likely.
- Hembling: We should not burden people with propane. We should be able to insulate these buildings.
- Holenstein: We are trying to get a handle on what costs are and how people can live with them. The CAM fee would technically be a municipal services fee if regarded as an element of Middletown Township. If it were a condo fee, it would be the Condo fee and the tax fee. The park service is structuring their CAM as a municipal fee and Middletown in lieu charges based on value, when squared down, as long as the costs of the CAM and the cost of in lieu to the Township, are less than the Township tax rate, the Lessees are better off than the residents of the Township. The way it was couched this morning, it is less than the typical per square foot tax rate in the comparable Township.
- Stephanie Murray, Mayor: Middletown is not looking at this as a windfall. One of the reasons we are discussing abatement for the first people that come in, is because it is unknowable. You don't know what the drain on fire and EMS will be. They do in fact respond here now. If you are a business, or if you are a resident with school aged children, the associated costs are different.
- Welch: If you lease here as a resident, you are looking on paper as though you own the building but your ability to write off against a mortgage is absent. You will have a levy placed on you but you can't deduct the value of what is going in.
- McLay: You can collateralize the building and get a loan, if you find a bank willing to do so. We have had Lessees able to do so and to take corresponding tax deductions.
- Karolyn Wray: Why are we having a discussion about Middletown to receive taxes? Sea Bright and Highlands are the primary towns impacted/most proximate. Sea Bright and Highlands are likely to be the first responders so why are those costs going to Middletown?
- Burry: Because we are sitting in Middletown.
- McLay: There are (or can be) separate mutual aid agreements with the surrounding towns.
- Hill: We respond based on the ability to get to Sandy Hook due to season, traffic, etc. It is part of the contribution of the area.

- Karolyn Wray: The whole concept of this tax is due to increase in the financial burden from additional activities at Sandy Hook. Why are those taxes going to Middletown?
- Mercantante: Sea Bright and Highlands are not collecting anything. But the fact is, this system is new. That is why we are providing a five-year abatement. We are just laying out scenarios for how we see it now. It is unknown what the impacts are and we won't know. It is like a new neighborhood developing. We don't know what those impacts will be on the community.
- Ekdahl: For the record, Sandy Hook has been paying Rumson for EMS on a per call basis [note: this is not entirely accurate].
- Hill: Let's hope that the activity out here gets to the point where we need to bolster mutual support
- Glaser: Already, there is a significant level of services provided out here. Also, just note, there are two million people out here in the summer. I imagine there is a substantial need for preparedness and response. We are not going from zero to some greater presence. There are people here year round
- Mary Eileen Fouratt: The residents at Sandy Hook will be able to vote in Middletown and will have an effect on our budget. Additionally, Middletown residents pay to use county library which is not part of the existing county Library system.

LUNCH

Future - Goals of the Committee:

- Glaser opens the meeting after lunch: We have been at this since January 2013. In May of 2015, we put together an interim progress report. We talked about the visions for the Committee, we put together a number of Committees, and we have a lot to show for our efforts. But until April of 2015, we did not have much in hand to show what we accomplished. Now we are in the middle of negotiations with two potential Lessees. There may be other things developing in the wings. We have spent a lot of time doing organizational, operational, and other things. Now we are in a position to determine what we want to do moving forward. We should try to focus on policy. We have given the park a lot of detailed advice, some of which has been welcome. It was detailed and addressed issues such as how to fix a roof, cut the grass, etc. What are some of the bigger picture things we can advise the park about? CAM came up this morning and that is a pretty big thing – it will impact how the leases are executed. Another issue to consider is what the park wants from us. We are chartered by the SOI and we need to articulate what we want to do as well as determine what the park wants us to do. We do not need to come up with new ideas. We need not exclude things in our previous agendas.
- Smith: Let the group know what kind of activities are ongoing?
- Glaser: There are two active working groups now. 1) Historic Policy and Preservation Policies and SOPs, and 2) Non-Profit Working Group. Additionally, NPS has a workgroup to address historic rehabilitation in the form of a handbook in which co-chairs are involved.
- Smith: Maybe we can talk about what those work groups have done that is most helpful, and trends we see forthcoming.
- Cohen: What about the outreach group? Is it still active?
- Glaser: Yes, and maybe we should talk about what we want the group to do.
- Nersesian: The Committee is critical and we never would have gotten as far as we have without the Committee. I do not see this diminishing at all. I think we are trying to move into a different phase in terms of what we are trying to accomplish. Now that we have the RFPs out on the street, we need your help more than ever and the CAM discussion is an example of that. We do business in a very rarified way and that is very different from how everyone else operates, especially in the

private sector. We really need to have a bridge to make that interface with the private sector. CAM charges are a great example of that. We are trying to show that we have to pay for services and are trying to account for how we pay for those services in the future without dis-incentivizing this project. The input of the community is very important. As this community develops and we get more applicants, are we bringing in the right uses? Are we leaning too heavily in one direction or another? The Committee plays a really important role in how this community develops. Also, we have RFPs out on the Street. Are we getting the level of response that we want? How else can we incentivize the level of involvement we want to see (not counting the holiday season slow down). Are there other ways we could partner with the local township, the county, the state, to incentivize this process. Speaking to the outreach Committee, which is an effort we cannot let die. How do we re-invigorate? How do we obtain greater visibility, garner new interest? We need the Committee on this because that is what really works in gaining and keeping interest.

- Glaser adds a “boundary condition.” The park is sometimes limited in what it can do but one of the things we can do is urge the park to do things through us or in spite of their thinking they are unable to undertake some action. If we cannot push the park, no one can.
- Stevenson: Thinks we can lobby. Maybe there is some legislative language that we can obtain. Maybe we can obtain grants and subsidize some of these projects so they can move forward. We can push others where the park cannot.
- Mercantante: One of the concerns from a policy standpoint that we need to think about is that we have a handle on the uses we have envisioned. Are there uses we have not considered that we might not want, that we have to deal with. For example, if someone were to lease a building and rent rooms, would we allow it? What about rehabilitation facilities - which you cannot prohibit in NJ? What if the neighbors are opposed? We need to start thinking about uses that we have not anticipated and determine whether we would/not allow them and why/not? We (Middletown) have seen a big uptick in the number of requests for rehabilitation facilities, they are covered by insurance now, and so they are very profitable non-profits. Maybe we should come up with some policy discussion about that.
- Smith is taking notes and discusses the characterization of our role, which is not limited to single or simple agenda items.
- Glaser: The park has the ability to reach out to non-profits and that is an avenue that is not typically pursued.
- McLay: We have a presentation about non-profits that is next on the agenda.
- Stephanie Murray, Middletown Mayor: Is there any specific non-profit that is associated with this Committee? Maybe we should consider forming a 501c3 that would be eligible to obtain grants and undertake fundraising.
- Cohen: Says that we should utilize the Sandy Hook Foundation (SHF).
- Glaser: Full disclosure – I am on the Board of the SHF and I would like to say yes, if I could.
- Nersesian: Encourages the Committee to work with the SHF. SHF is friends a group. There is some confusion as to whether the SHF is an official friends group (from a park policy perspective).
- Welch: Sometimes there are internal guidelines that should be revisited instead of seeking legislative relief. We need to know what is going on in terms of future direction and plans on the part of the park. What policies truly hem the park in vs what policies can be tweaked to help the park.
- Nersesian: It is incredibly important role that as the park comes up against things it cannot change, at this level, having the voice of the Committee behind us, is important.
- One example is flood insurance. The RFP states that you need to obtain Flood Insurance or demonstrate that you are unable to obtain it. Having the Committee able to advance that issue if needed, is going to be one of the ways we can tackle obstacles – again , this is one example and

we are not there yet. Help us identify what the issues are and help advance those issues. The broader community shows that we need to advance – not just the NPS.

- Krauss: Nersesian hit upon a very valuable point. Cites an example from his professional life – we can be technically the best accounting firm but we are not going to be successful if we don't have clients. We moved into a large marketing campaign that moved us into position as one of the 30 largest accounting firms. We are at the same place now. We have a lot of technical expertise but we need clients. If we have enough clients, we can move forward with getting things such as natural gas out to the hook.
- Burry: We should know exactly what we can permit on this property and what we will not. That all comes down to zoning. There should be a review committee to answer these questions as they come up. We need to be on top of what is permitted and what we would not allow. As stated, could we have a guesthouse? We should be able to say no – that we do not want that. Particularly with commercial use, there is a lot of commercial use that is undesirable. We should think about that.
- Glaser: Yes, we should revisit this issue. We addressed zoning through the use map but we changed it based on concerns. We may want to revisit it again.
- Hembling: When we did the RFEI, we had 40 responses. What happened to the other 38 or 40 people that submitted responses to the RFEI? It seems the government cannot get out of its own way. The historical people cannot get out of the way. The dictator is calling the shots. We are window dressing and we are creating the smoke screen so the park can do what they want to do. What did the park service do with those other 38 proposals? We have no non-profits, no B&Bs, no restaurants. We have three people that want to lease homes.
- Glaser: We can incorporate this concern into some of our outreach efforts. I have spoken to many of those people who submitted RFEIs to find out why they did not submit proposals. This is something we should revisit.
- Hembling: So the NPS requires Lessees to submit cost estimates. I am working on cost estimates and cannot provide accurate ones if I do not know to what standards I must estimate. What kind of heating system can I provide to a building that is not insulated?
- Holenstein: If there is something NPS wants us to consider, that is beyond their capabilities, which is something we should take advantage of. This Committee has no business entering into agreements with special interests. This Committee is here to provide advice that is transparent and supports the public purpose.
- Tyler: I am new to the Committee but am struck by the number of things we do not know and that park service does not know. If I was a developer, I would put together a pro-forma. We are at a point where we are seeing information... We should start with the least expensive structures and move forward to the more expensive. I see progress, I am just wondering if there is a positive economic case that can be made for Officers Row buildings. Maybe there is some funding that we can go after to make this viable. If there is not, we have to consider what will happen if we don't have a Plan B. Will the buildings end up like Building 23 and don't we want to avoid it?
- Glaser thinks this is a very important discussion and we need to get a clear picture of what the Committee wants to do next. That is how the Committee will help NPS and we should continue it, whether it is at the next meeting, electronically, or in some other context.
- McLay: All RFPs are out on the street. We should have mentioned this in the begging in of the meeting. These are rolling RFPs and we will accept proposals every thirty days. We will award leases until all the buildings are leased. We are making progress.

Presentation – Non-Profit Organizations:

- McLay: The presentation we are about to view is a result of a work group and the culmination of the NPCA intern's work over the summer. Camille, the intern, was tasked with following up on the RFEI proposals and determining why there was disconnect between the RFEI and RFP. We

also asked her to look at local non-profits and determine if there any we could engage on a local level. Finally, we asked her to identify which non-profits were able to support other non-profits with funding for preservation and rehabilitation efforts.

- Feedback: The RFPs were complicated and lengthy. Organizations had trouble pulling together proposals based on materials required.
- Hembling: The gentleman that spoke early in the comment period indicates that the process is too cumbersome and unwieldy. Perhaps the NPS does not really want this effort to succeed, that they want the buildings to fall down.
- Nersesian: We want to identify obstacles so we can work to overcome those, refine the process, and make it smooth. From our end, we conduct the negotiations confidentially. I want to be careful about discussing the status of negotiations in a public forum. Second, if there isn't confidence in our desire to have these buildings rehabilitated – that is why we got into this, and why we have dedicated so many resources, so much staff, so much time, to this effort. To say that we are a smokescreen to prevent rehabilitation of these facilities, that is not true.
- Smith: It is not helpful to raise concerns about motives and internal ovations/intentions.
- Welch: The onus is on us to understand the NPS, what their authorities, limitations, and capabilities have. They have a very different structure than the army and there are many things they are not told how to do. We got a report earlier from Pete about mothballing wins. They have a limited capability to do things but they have made tremendous efforts to do things that are not dictated, that are not necessarily priorities, but that are necessary. Defoliating the Officers Row buildings was a huge logistical effort. We need to understand their structure (i.e., capability to execute tasks and programs) and find ways to help them improve the capacity and elasticity of the structure to better address long term and short term real property management functions.
- Hembling: I think the leasing procedure is cumbersome and very unclear. To what extent are those buildings to be insulated?
- Smith steers us back to the discussion about non-profits.
- McLay: Other feedback we got is whether there is a lease option or right of first refusal. We have talked about, at these meetings, our LOIs. That is something we need to address in our outreach.
- Additionally, NPOs need time to raise the funding required to undertake these processes.
- Finally, we (the Committee) need to approach the non-profit organizations. Feedback indicates it is naïve to expect them to approach us.
- In closing, the Intern identified 19 (or 21?) NPOs that we might consider approaching. Lynda Rose (absent today) has also provided a list of 32 local NPOs we might get in touch with.
- Last, the Intern also identified a number NPOs that fund other NPOs. We might consider asking the Geraldine R. Dodge Foundation out for a tour. The Open Space Institute may be another organization that we could work with.
- We appreciate all of Camille's hard work and should take this to the next level. What do we do with this information? It would be nice to resurrect the work group to reach out to NPOs and those NPOs that could provide the funding to others.
- Cohen points out that NJ Natural Gas has given a lot of grants to organizations out here and should be contacted. Cohen asked what happened to Romer Shoal? Did we investigate Romer Shoal? They wanted a school and a Museum. VNA wanted to have a hospice? What about Manhattan Sailing School? What happened to all of those non-profits that submitted proposals during the RFEI process?
- McLay: Funding for capital expenditures is the biggest obstacle to moving forward with non-profits.
- Cohen wonders if through this outreach those organizations were specifically approached.
- McLay: Romer Shoal received grant funds for the lighthouse project which was not sufficient to parlay into capital improvements at Sandy Hook. Same with VNA. The VNA donor who was providing funding is no longer available.

- Stevenson: Made a suggestion to establish a fundraising arm of this Committee. It needs to be local. Contacts at the local level are critical to mobilizing. The funds can go to any kinds of NPO but getting some money is critical. Even if it is to take care of the exterior of the structures, or results in some other kind of physical change, it is critical to engage local contacts.
- Cohen asks if we can engage the Sandy Hook Foundation (SHF)? SHF did the platform and they also refurbished the lighthouse. They maintain the lighthouse – they found the donor who contributed \$75k to the lighthouse rehabilitation. They fundraise, provide free concerts, etc.
- Nersesian: Yes, the SHF has raised hundreds of thousands of dollars for Sandy Hook. Nothing requires that to be an exclusive requirement. We can look at some grants that might take care of porches, roofs, or smaller projects that would make it worthwhile for non-profits to engage.
- Stevenson: The potential for donors is huge.
- Nersesian: Mr. Samuelson recommended that we approach Lowes, for example and work with them to have a partnership to rehabilitate these historic structures.
- Murray: The leasing process is scary. If NPS could find a way to support that financially, it might be easier to in the long run.
- Smith: Suggestion to set up a Committee that will work to obtain grants – how to set up the subcommittee?
- McLay: Another issue that has come up is the cost of getting a historic architect to assist a proposed Lessee in starting one of these projects is also cost prohibitive.
- After additional discussion it sounds like Sub-Committees are necessary for:
 - Non-profit Outreach
 - Identifying other sources of non-profit funding that could support organizations interested in leasing at Sandy Hook
 - Identifying sources of support (such as pro-bono historic architect services)
 - Working with SHF on all of the above (as one measure)
- Mary Eileen Fouratt: There is no shortage of non-profit organizations in Monmouth County. Some are funders, others are programming based. It is hard to come by capital funds through NPOs. If organizations such as the VNA cannot do it, it will be challenging for other, smaller organizations to do so.
- Noted: The FACA Committee does not have the capacity to collect money. The FACA Committee can help find the money, but cannot hold it. There can be another agent or organization that can hold funds.
- Hill: Our goal is rehabilitate the buildings for the public good. We need to focus on that.
- Mike Walsh: This is multi-faceted. One component is finding NPOs that can use the buildings. Another is finding funding for the buildings through NPOs. Still another is finding the services that could be used to rehabilitate the buildings. For example, Brookdale Community College (BCC) has a design and architecture program. Perhaps those students, under the direction of a professor could provide the historic rehabilitation guidance/services necessary.
- Holenstein: Was there anything the intern came up with that was different than the information Glaser garnered in follow up to the RFEI?
- McLay: No except that there is still a lot of interest.
- Holenstein: Would you say that we are working faster, slower, about the same? Do you think it is unusually slow? Have you given NPOs any indication that you are not willing to work with them? Is it fair to say they don't understand the process?
- McLay: About the same. No. No. I think the process may require a bit more handholding. They are looking for us to reach out to them and find out what it is we might do to have them out here.
- Cohen: Thinks we need to have outreach with "This Old House," have more projects with HOPE, have public speakers in Monmouth County TED talks which take place in April at Monmouth University.
- Smith: There is a suggestion that we put a group together one or both of these working groups.

- Fundraising/Grant Work Group:
- Outreach Work Group: Needs to be revitalized
- Glaser explains the Outreach Work Group was not put together the way that subsequent groups have been assembled/instituted.
- Wray points out the core in the group are probably still interested.
- Tyler: Sounds like marketing and economic development is critical. Outreach is a critical component of that. What is actionable now? What do we have to plan for? We can't go out and take action without knowing what it will cost. Maybe we should stick to one Committee and focus on what we can work on right now – that critical element is figuring out costs involved to potential investors. We need to solve the basic issue that we have here, which is capital. If we have a partner such as home depot, that covers a great portion of the cost involved, that helps us move forward with NPOs.
- Karolyn Wray: The outreach group involved going out to the community and letting them know what is happening. If the outreach group is moving in a fundraising direction, she would like to bow out.
- Holenstein: We cannot raise funds. We can conduct outreach and convey information back to the group.
- Smith asks Nersesian to respond to Mike's concern that FACA cannot fundraise. Nersesian points out that nothing prevents the Committee from going out and obtaining information.
- McLay: Points out that help and assistance in these efforts is permitted. Nothing prevents members of the Committee from working with other non-profit partners who can ask for/raise funds.
- Holenstein: Wants to know what differentiates a FACA member from fundraising on its own vs fundraising with a partner?
- Nersesian: NPS has an agreement with the SHF. We can move ahead with targeted fundraising.
- Tyler: The organization does not have to collect money or even work on facilitation of fundraising. The group can help with questions, and problems that result from efforts to lease buildings, line up partners, etc.
- Smith thinks that we should form this committee but that sub-committee needs to state what its mission is and identify how that falls in with the Charter as a whole.
- Holenstein: Moves for consensus that we create a group to shepherd NPOs through RFP process.
- Stevenson: Wants to amend that to include donors and other funding sources. Clarifies: To identify money, grants, or donors who would assist in finding funds to stabilize buildings that would be used and then encourage other organizations to lease the buildings. This does not include donated architectural services to assist potential Lessees.
- Glaser: Does your restatement of the proposal give the Committee the charge to call previous applicants and ask why they did not submit an application? No.
- Request for participants: Welch and Mayor Stephanie Murray will be on the group, as will Stevenson, Glaser, and Tyler. Lynda Rose, who is not present today, is volunteered for this group by others.
- **Consensus: Create a sub-committee to identify funding in the form of grants, donations, other funding that could be used to stabilize buildings. Sub-committee may also work with SHF in this capacity.**
- Glaser: Do we need a separate Committee to follow up with NPOs?
- Wray: No. We can reconvene the original outreach Committee.
- McLay: It would be nice to have an open house for NPOs. The difficulty is in finding the funding that would support them. We have to find people with the interests in a room with people willing to support them.

- Burry asks if County could be considered a NPO. Lillian will work with Subcommittee to find funding to open a gym for MAST.
- Glaser: We need to work to assuage potential facility occupants that this process is not so complicated that it cannot be done. We should reach out to previously interested NPOs and let them know we have not forgotten about them.
- Holenstein: Glaser made those calls to all the RFEI applicants. I understand the compulsion to reach back out them. We need to be open and available, that is good enough. The RFP and some outreach is what shows we are available. We can help people understand what the process is, but we cannot make the process easier. We can ask the Chief of McLay to create a group that makes things easier to understand but there is already an approvals process workgroup underway. We have heard from a lot of people how expensive it is to undertake this process but we have also heard from earlier today, that the cost in terms of CAM/taxation is not enormously expensive when you compare. Holenstein says he will be surprised if it costs less than \$1M to rehabilitate any of these properties. If you are willing to put in the time, you will have a \$3-4 million dollar investment on your hands for the next 39 years. It is time to stop acting as though we have to beg potential Lessees to take these buildings.
- Glaser: As we have more information we can present to the RFEI applicants, there may be more to entice them back to the table.
- Smith: Do we want to keep moving forward, or should we put this on the agenda for another time.
- Hill: Let's work on an open house for the NPOs.
- Smith: So should we have an open house? Should we have a few people make a few calls and circle back with the RFEI applicants?
- **Tyler, Karolyn Wray, Welch, and Glaser agree that we will call those previously interested parties. McLay will schedule a meeting with them.**

Operating Plan Discussion:

- Smith asks if we should table the Operating Plan discussion for the next meeting?
- Stevenson: Asks if anyone has substantive comments about those Ops?
- Mike Walsh: Yes, about the co-chairs.
- Welch: In the first paragraph we added the Fort Hancock district designation as that was specifically cited in the Federal Register. Either way, the designation/description should be consistent between the Operating Plan and the Federal Register Notices. That change will be made (Welch will do it).
- The only other issue is Paragraph D1. The co-chair language will be amended so that it is consistent with what we discussed at the last meeting. Cross off language that indicates that after two years co-chairs must step down. Agreed that co-chairs can be reappointed.
- Mike Walsh thinks three year terms are better and more in line with the three year apt to the Committee.
- Mike Walsh wants to make sure we are in agreement on duration of the co-chair terms.
- **Agreed. Co-chair terms are for two years.**
- Otherwise, Nersesian is not clear about Section D 3 in the Operating Plan. Welch or Holenstein are asked to explain. Holenstein: We need a procedure to install a chair and to remove a chair. This is a volunteer committee and there is no benefit to being a chair. I feel strongly that this is supposed to be a NON political body and that we follow the charter. If someone were behaving in another way, it would be important to be able to remove them.
- Mike Walsh thinks we should remove that provision except for the last sentence which provides that co-chair can be removed by the Committee for failure to act in the Committee's interest.
- **Agreed: The co-chair can be removed by the Committee by consensus at any time.**
- We already have ethics provisions in the Charter.

- Last Item – Nomination of co-chairs.
- Mike Walsh asks if our current co-chairs wish to continue serving.
- The discussion at the last meeting was that Glaser stay on as co-chair for another year, and Welch’s co-chair position be the one that is up for “renewal” (per notes from the last meeting on this topic).
- Holenstein: The issue that remains before the committee is whether or not you are selected for life if you are selected as a co-chair. There needs to be something in there that allows for exiting. There should be opportunities for succession and a way that chairs are selected with terms. You can be re-selected but there has to be a term.
- Facilitator asks if Holenstein has an idea as to what that term should be.
- Holenstein says two years. There are 30 people on the Committee and if they want to participate on that level, they should have the opportunity. Right now there is no mechanism for allowing others to take a co-chair position.
- Glaser is asked to speak on this issue. After December, there is no chair. If we wait until the December meeting for that process to start, it is not appropriate. We need to ensure there is sufficient time for others to consider their interest in a position.
- Holenstein: Let’s be clear that the person who is tolling in December is Welch, not Glaser.
- For the record, the DFO (Nersesian) sent an email out to the Committee that those interested in the co-chair position had to provide notice to the DFO prior to today’s meeting.
- Nersesian announced the two parties who are interested and who submitted responses were Welch and Mercantante. The committee will move to consensus on one of these two parties for a co-chair position at the next meeting.
- Mike Walsh says that the procedure requires the co-chair be selected by consensus and that is something that must be undertaken in a public forum.
- Consensus is identified in our OP.
- At the next meeting, each co-chair nominee will have a chance to speak and the Committee will make a decision thereafter. We will find a way to include a member who will not be in physical attendance. (Example: options include a conference call.)
- Welch thinks we need to discuss meeting at FOHA post February 2016 in spite of Chapel unavailability. Especially because this is the area on which we are focusing.
- Burry recommends Thompson Park facility for subsequent meetings.
- Smith recaps facilitator responsibilities since she will be on board for the next year. She appreciates feedback and wants the FACA to let her know of any concerns. Her role is to serve us and help us be efficient.
- Stevenson: Some of the discussions got way too long and in the weeds.
- Smith: Is always walking the line between discussion of ideas and moving off tasks. We should consider an idea parking lot.
- Closing Statements. Thanks all around from FACA
- Krauss: Thanks Pete for a great tour of FOHA and is reassured in hearing from NPS that rehabilitation of the buildings is a priority.
- McLay: Thanks everyone. What we are doing here is making a difference. We cannot share the discussions we are having with the Lessees and we will get on the other side of this.

Adjourned 2:56 PM

APPENDIX A: ATTENDANCE

National Park Service: Jennifer T. Nersesian, GATE Superintendent and Designated Federal Officer; Joshua Laird, NPNH Commissioner; Pam McLay, GATE Chief of Business Services; Karen Edelman, GATE Business Services; John Warren, GATE External Affairs; Daphne Yun, GATE Public Affairs; Michal Wisniewski, GATE Business Services; Marilou Ehrler, GATE Historic Architect; James Grant, GATE Chief of Facilities and Project Management. Stacie Smith, facilitator.

Committee membership: Gerard Glaser and Shawn Welch, Committee co-chairs; Lilian Burry; Linda Cohen; John Ekdahl; Mary Eileen Fouratt; Guy Hembling; Timothy Hill; James Krauss; Anthony Mercantante; Stephanie Murray; Katherine Stevenson; Jeffrey Tyler; Michael Walsh; Karolyn Wray.