FORT HANCOCK 21st CENTURY ADVISORY COMMITTEE
MEETING #35
February 28, 2020

Agenda Items for Next Meeting:	•
Action Items for Next Meeting:	•
Committee Recommendations - ADOPTED:	• **NPS will issue press release about Stillman proposal** • The Committee recommends Gateway staff use its discretion to put properties back on the market when an LOI holder is not demonstrating meaningful progress or negotiations have reached an impasse, taking into account broad considerations • Further recommends Gateway staff articulate clear and consistent policy notification and documentation for cancellation of LOIs. • This policy should address: Clear deadlines, interim milestones, schedules, notification, and opportunities for mutual extension • Gateway Staff should issue a press release whenever a Letter of Intent (LOI) has ended and property has been put back on the market. • Gateway should pay immediate attention to those properties that are either due to expire or will expire in the next month. • Next steps for Stillman proposal: • LOI, Code Review, Tax Obligation

Attendees:
NPS: Jennifer T. Nersesian, Gateway Superintendent and Designated Federal Officer (DFO); Pam McLay, Chief Gateway Business Services; Karen Edelman, Gateway Business Services; Daphne Yun, Gateway Public Affairs; Pete McCarthy, Sandy Hook Unit Manager; Marilou Ehrler, Gateway Chief Cultural Resources, Rahul Gupta, Gateway Business Services
Bennett Brooks, Facilitator

Committee co-chairs Shawn Welch and Gerry Glaser FACA Committee Members: Michael Walsh, Mary Eileen Fouratt, Dan Saunders, Kate Stevenson, Anthony Mercantante, Lillian Burry, Sue Howard (Mayor of Monmouth Beach-new member), Gary Cassaza (Rumson- new member), Chris Doxey (Sea Bright-new member), Kevin Settimbrino (Middletown – new member), Kim Gonzales (Highlands- new member) James Krauss, Karolyn Wray, Patrick Collum,
Other guests/attendees: Jane Presio, Patricia Alcaro (President Sandy Hook Foundation), Raven Rentas (Two River Times Reporter), Roy Stillman, Armin Boyajian, Pierre Winter (Stillman Development Co.)
Pledge of Allegiance
New Committee Members introduction. Bios will be posted on the FACA Website:

- Mayor Sue Howard, Monmouth Beach
- Gary Cassazo, Rumson
- Chris Doxey, Sea Bright
- Kevin Settimbrino, Middletown
- Kim Gonzalez, Highlands

Co-Chair Gerry Glaser provides context/history: In 2011 a small group was pulled together to think about options for the buildings in Sandy Hook, specifically Fort Hancock. Mike Creasey of NPS Lowell was one of the initial group leaders charged with the discussion about how to rehabilitate this group of buildings. The initial discussions led to the formation of this committee. The Fort Hancock 21st Century Federal Advisory Committee was created with the approval of the Secretary of Interior. The purpose of the committee is to make sure the community is involved in planning for the future use of buildings at Fort Hancock, to bring representatives from various sectors of the community (education, business, science), to understand what it takes to rebuild a community in Fort Hancock, and to provide information through representatives to the public. The Fort Hancock 21st Century Advisory Committee developed a use map addressing use of the buildings to further park goals to restore a vibrant community. The committee looked at the historic context of the site as a formal military base in order to incorporate the history as part of future determinations. created. The committee provides information, helps to get the community engaged, answers questions, and explains why decisions to do things a certain way were made.
Shawn Welch: Historic context documents laid out the military importance of Fort Hancock. The Fort Hancock historic district is the whole peninsula, not just the parade grounds area. Educating and informing people about historic significance and the requirements associated with the rehabilitation of the buildings is critical. The committee produced a Request for Expression of Interest (RFEI) which provided a roadmap for what the types of use we could anticipate at Fort Hancock going forward. The the committee and NPS developed Pilot Requests for Proposals (RFPs). The NPS currently has a rolling RFP for all remaining buildings. We are now facilitating significant issues on historic rehabilitation. The current leases and letters of intent (LOIs) are for buildings other than those on Officers Row.

Facilitator: To the committee – you have tremendous opportunity in that you are federally chartered and can give advice. It provides you with the ability to provide formal advice as a committee, unusual.

Superintendent Nersesian welcomes new members and thanks them for their commitment. She states that their perspective from new communities will help the committee and looks forward to working with them.
Leasing Update:
New Proposal received by NPS – (Related Power Point Presentation will be posted on Forthancock21.org)

Discussion about potential LOI and feedback from the committee.
Major proposal has been received through rolling RFP. This proposal has been reviewed by the Regional Office and has been officially "selected" as fully responsive to the RFP. Has been vetted and approved as something we can move forward with in terms of our leasing program. The next step is to negotiate a letter of intent, which allows a lessee to undertake due diligence necessary to understand the scope of the project, visiting the structure, developing drawings, and addressing the historic preservation requirements per Secretary of Interior standards. It allows NPS to work with the proposed Lessee in terms of a financial underpinnings to determine the feasibility for the Lessee and assure the NPS the funding necessary is available.

This particular proposal has come in for all of the remaining available buildings. All of Officers Row, except Building 18, History House (Building 1), and those in use already, as well as remaining buildings available under the RFP. The buildings on Officers Row are being considered for long term residential use, and for ancillary use in the other buildings (small market, buildings in support of chapel and special events). The details will be worked out in the LOI phase.

Stillman International Development, LLC is the proposer with experience and wherewithal to execute on the projects. Roy Stillman, Armen Boyajian, and Pierre Winter from Stillman Corporation have joined us today. The NPS sign off was only recently received and the developer graciously rearranged his schedule to be here.

Superintendent Nersesian encouraged the committee to do their own research and look further into the company.
Proposer has significant historic rehabilitation experience
NPS would like to move ahead in the next step with an LOI. NPS wants to create something that will lead to a successful project. Something that makes sense for the developer in terms of feasibility and something that makes sense for the park.
Committee discussed the unsuccessful development attempt at Sandy Hook from the early 2000s. That effort was unsuccessful, primarily because of the lack of transparency and the lack of input from the surrounding community. Additionally, in the end the developer did not have funds to undertake the project.

Now we would like to think about how to maximize this opportunity for the developer and for the NPS and think about how we can make this opportunity viable and right for all of us. We would like input from the committee as to how we think about the LOI, which does not bind us to a lease. Timelines, grouping of structures, phasing of the projects, checks on progress, etc. We want the committee's input on the length of the LOI, an initial period, possibility of extensions. We have found that LOIs have been in effect for some time and that allows us to monitor progress. We have

extended LOIs as a result of progress charted. We are asking the committee to help us look at the possibilities.

Gerry Glaser: It is important to look at the history of LOIs. How long they have been in effect, extensions, what level of progress is made. It will inform how the park moves forward with this project, which is the most comprehensive proposal we have had. We can learn from other LOIs and the process, and the timeline. In the past we have had one LOI for a building. This is different. NPS shares a matrix showing the number of LOIS past and current and the length of each, number of renewals, etc. This information will be posted on the FACA Website.
93 apartments primarily on Officers Row. Other buildings will be food and entertainment. The proposal is for year-round residential use.
21 Buildings 107,000 sf.
Includes all buildings that are not under any agreement. 57, 55, 80, 60, and 2-17. Building 53 was included in the proposal but that was already leased so will not be included in this opportunity.

Mike Walsh asks about the timeframe for the project. NPS has not addressed this question yet. We just got permission to begin negotiating the LOI. That is a question for the committee.

Kate Stevenson is concerned about stabilizing the buildings while this is underway. If there is a long delay, some of the buildings might not make it. That won't be good for NPS or the developer.

Superintendent Nersesian: Over the past year we have had discussions about NPS investment in the buildings that are in the RFP. We have been undertaking a lot of work and working with the Washington Office to see what we can do to allow for investments. We have changed the RFP to notify the public that we may undertake investments ourselves. We have discussed the roofing project for Officers Row buildings which continues to move forward. A&E will go through the buildings in the next few weeks. The design process is getting started. Also trying to identify whether in redoing the roofs, there needs to be some underlying stabilization. There is a design portion that comes first, and then the actual construction. Even with this proposal, we are going to keep this project moving forward knowing that nothing is final until it is final. We will keep the investment on the table until we know how this project is playing out. We will include as many buildings as we can and will address the ones in more dire condition first. We have some funding, but we don't know whether we ill have enough to do all.

Kate Stevenson asks if we will tarp the remainder of the buildings to protect them.

Pete McCarthy: We have already put up several ice and water shields. We continue to do some of that work.

Dan Saunders: Wants to know if there have been discussions on the Secretary of Interior Standards. It is a critical threshold. Also, if there are going to be five units in each building, that is a higher parking load than we considered. Additionally, have you given thought to accessibility.

Superintendent Nersesian: All of these issues are things we need to consider under the LOI. Parking is an issue at the park regardless of the proposal. These are all things we are thinking about and will negotiated in the LOI. We will bring these to the committee.

Tony Mercantante: Maybe early in the process, we should sit down with the construction code official and see what it will take to move ahead. The other issue is that when the public sees tarped buildings, they recognize something is going on and that is a sign of growth.

Shawn Welch: This place exists for the Army's fortification. The post was built in the 1890s before people owned cars. Later, even when cars were common, not everyone had cars – parking reflects that.

Chris Doxey – Would the developer still be interested in moving ahead with the project if NPS does not complete the stabilization.

Superintendent Neresian: Doesn't think the developer knew that was an option. The LOI period is where the developer will identify associated costs, baseline condition, and make assessments.

Chris Doxey: Would/could the houses be turned over without stabilization? NPS: Yes. RFP states that we can/may make improvements to the buildings but are not required to do so.

Kevin Settinbrino from Middletown arrives late. Members introduce themselves.

Gerry Glaser: It is important for the new committee members to hear why we are here from a professional background. He talks about his background at National Science Foundation, history with an organization responsible for providing $80 billion annually.

Liilian Burry speaks about the Marine Academy of Science and Technology (MAST) project, talks about the history of the committee, and how she's been on since the inception. Buildings 23 and 56 will be part of the MAST complex, and they are two of the worst buildings on site. Even though the project was delayed for approximately one year as a result of osprey nesting, there is a light at the end of the tunnel. There is a rendering of the project near the site, and historic standards were followed in this project.

Mary Eileen Fouratt– NJ Council for the Arts. Arts have always been part of Fort Hancock and she's interested in seeing how they can create a community in Fort Hancock.

Dan Saunders – retired from the NJ State Historic Preservation Office (SHPO).

Kevin Settembrino – part of Middletown governing body, former mayor. Sandy Hook is in Middletown. Happy to be part of this committee. Kevin is a licensed architect with projects in NY, NJ, and Penn.

Tony Mercantante Middletown administrator since 2008. Licensed planner. Land Use development and review background. Grew up here. Spent much if his childhood at Sandy Hook. Strong attachment.

Michal Walsh – Fair Haven – Senior US regulatory advisor for Bank of Nova Scotia. Was on town council and zoning board. Worked on creating a historic commission area in Fair Haven. Very involved in the area and frequent visitor to Sandy Hook since childhood. Michael's son was a lifeguard at Sandy Hook for five years and now works as a wildland firefighter for NPS and Bureau of Land Management (BLM). Thanks the developer for putting a proposal in and hopes this endeavor is successful.

Sue Howard– started at Bell Labs 40 years ago. Built her own house as a general contractor. Mayor of Monmouth Beach and instrumental in renovating beach center. Involved in post Hurricane Sandy recovery in Monmouth Beach. Monmouth Beach is the only town in NJ to lift its borough hall and library.

Kate Stevenson – worked for NPS for 40 years. Associate Director for cultural resources and in charge of historic tax credits. Also associate director for business services nationwide.

Gary Cassaza, Rumson councilman. Got NYC to change regulations and he was part of the Build it Back program. Taught him a lot about bureaucracy.

Chris Doxey represents Sea Bright. Chris worked for American electric power in NY. Belongs to the Sandy Hook Foundation. They worked to restore some of the buildings in Sandy Hook. Concerned about what will take place at Sandy Hook as a result of proximity to Sea Bright. Also is a trustee of the newly formed Sea Bright Historical Society. Sandy Hook should be marketed in a positive way. Many people do not know what is out there. She is all for the restoration and happy to contribute.

Jim Krauss. Chair of highlands environmental commission. Retired CPA.

Karolyn Wray – Has worked in real estate for over 30 years. Lives in Sea Bright.

Superintendent Nersesian: What comes across loud and clear is how much support there is for the success at Sandy Hook.

Gerry Glaser: We are advocates with some basis for that advocacy. Speaks directly to Stillman and indicates that we are here to help this project along, to support the park, to represent to our communities what Stillman is proposing. This is the biggest thing that has happened here and we want to show support.

Bennett: Timeline for developing a LOI? Does the Committee have to weigh in on this? (No).

Roy Stillman speaks to the group. Is delighted to learn about the depth of the folks of the committee as it will be critical to the success of the project. Listening to the committee allows him

to understand how this project will be successful. Wholistic – from a land use perspective, the entire project must be considered as a whole. The major milestone against which this project will succeed/not are the architectural documents. We need to look at how the changed world can embrace the history of the buildings. What they were built for is not necessarily what they will continue to be. This is the place to faithfully restore, from an external perspective, what was once here. Adherence to the details is critical to make the buildings and the whole area. The second consideration is community – we design to the inner voice. Design comes about by learning about the inner voice of the community. Restored to its historic glory, with adaptive reuse, and a sense of community.
These kinds of puzzles are a specialty of his firm. He will really enjoy the process and looks forward to learning from the community

Kate Stevenson speaks directly to Stillman. I hope you understand that this is not only a federal project but also a historic tax credit program and historic preservation project – all of which can be frustrating. What is commercially viable can clash with historic preservation. Compromise will be necessary. It often feels like there is no compromise on the historic preservation elements and we hope you can stand the race.

Stillman talks about some of his historic projects including Times Square Theater and the Schumacher. He talks about the nature of the process and difficulties of historic restoration, understanding that it is hard, it is a labor of love, and is to him endlessly fascinating.

Jim Krauss: This is an opportunity for economies of scale – spreading the cost over multiple buildings. Also, they are in a position to acquire materials on a large scale (such as the yellow bricks)

Kate Stevenson: Strongly recommends that one of the buildings be done right up front to ensure that agreement on the materials, style, efforts, difficulties are outlined right away.

Gary Cassazza: Thinks the LOI should identify what it is that each party cannot live without.

Superintendent Nersesian: Back to LOI: We want to move ahead with an LOI asap, would like to have it back before the next FACA meetings. Doing one of the buildings early is good architectural input.

Pam McLay: Drawings are the hardest to address. That is where the viability holds true. Right now, milestones and expectations are at issue. Our process is slow. Our fear is that marketplace has changed. There I saw tremendous amount of risk. One building at a time does not allow for the ebb and flow necessary to the big picture but having a developer will.

Jim Krauss: Does an LOI lock up a building? It causes other potential applicants to overlook a building. Maybe a balance between how many buildings they want “to lock in” and how many will remain available.

Tony Mercantante thinks doing a prototype is the best alternative. Also, the number of bedrooms installed affects parking. Parking will continue to be a concern. Additionally, there will be ADA concerns, USPS considerations (group mailboxes now in common use are not necessarily compliant with Secretary of Interior Standards). That is why the developer's architects should meet with Middletown early (also Superintendent Nersesian reminds everyone we have an agreement in place with Middletown regarding permitting).

Gerry Glaser points out that committee has never had the opportunity to be involved in developing the LOI. We are looking at a new model of how the work gets done. That is important.

Gary Cassazo thinks the LOI should address the following:
This is what I plan for the building
This is what I plan for the architecturals
This is the timeline

Kate Stevenson– The LOI is to protect the developer as well as to give them an idea of what they are up against. For example, plastering is a major component of the rehabilitation and will require great consideration. Is the developer prepared to address these sorts of components?

Roy Stillman – it is perfectly reasonable to do a test "run" of one of the buildings on Officers Row, since the buildings are almost identical. Also, in terms of timeline for drawings, you can expect a one-year period to have them developed (NPS Points out that does not include our approvals/SHPO). Because the Officers Row buildings are similar, the test run is reasonable. The success of this project is completely tied to the acceptability of the architectural documents and we need a consensus on what is useful and helpful.

Mike Walsh is concerned about getting the drawings completed and approved – time is running out. LOI should be as detailed as possible, phased, and should not tie up the buildings for an unreasonable period of time. The LOI should also consider how much time the developer will have to spend explaining to/appearing before the committee because one of the failures of the last project at Sandy Hook was the impression that this was being done behind closed doors.

Mary Eileen Fouratt asks if there is any Affordable Hosing consideration or artists housing considerations? Stillman says that this is all meant to be market rate housing, but he is envisioning year-round, vital, community based, use of the buildings. Year-round success of the commercial components will grow the year-round success of the residential use. It will all be market rate housing unless there is a gov subsidy.

Gerry Glaser points out that one of the underpinnings of the committee is the development of a vibrant community and is pleased the developer is sharing in that vision.

Lillian Burry offers to share whatever the county architects have produced or learning with respect to the Buildings 23 and 56 projects. It would be good method of informing Stillman.

NPS has design drawings for Building 17 on Officers Row, which we can share. Additionally, NPS has done some condition assessment work and gathered data with drones and scans. We will share all the information.

Roy Stillman - Step 1 is a survey of each building. Laser 3d surveys are critical.

Tony Mercantante asks if the park has adequate utility capacity if this project comes to fruition.

Pete McCarthy points out that we have 40K people in the park at any given time in the summer and we manage that.

Roy Stillman – It will take approx. 1 year to develop drawings for Officers Row buildings, a little more for the other more unique buildings. It is true that economy of scale is really critical to this project. Total project duration will be approximately two years.

Kevin Settimbrino asks if there any financial thresholds that would cause the developer to change course. Stillman is not depending on non-Officer Row buildings for the vitality of the site. He is sure Stillman looked at costs and costs of financing, historic preservation components, to address price per/square foot. Stillman agrees that he did.

Stillman plans to take out a leasehold construction loan with equity. He will be personally liable once he begins to draw down on the construction loan.

Stillman wants to know about RE taxes. And will take Lillian Burry's advice to coordinate with the Tax Assessor.

Stillman has been through several the buildings three times and has to account for things like sheetrock vs plaster. The electrical systems need to be replaced and the walls will have to be moved to do so. If they have to replace with plaster, that is cost-prohibitive.

Short discussion about taxes (based on question from a new committee member). Middletown has conducted assessment and made determinations based on unique conditions of the property. The values assessed are substantially lower than they would have been if the properties were located in Seabright or Fair Haven.

Adjustments are for no land value and for Real Estate interests which are being assessed clarified in response to comments made by a committee member about applicability of taxes for the introduction of school age children into the area.

Leasing Proposal –
Other Leasing Updates

11:30 Public comment

- Commenters will be called in the order they sign up
- Commenters will be given three (3) to five (5) minutes to speak, based on how many people sign up
- Commenters should address the Committee as a whole & speak to issues within the Committee's scope
- At the discretion of the Committee and only if the commenter is willing, Committee members may ask clarifying questions

Tom Mertens, Rumson Resident
Has come to a number of the meetings over the years. Will the new units coming from the developer affect Middletown's fair share requirements?
Tony Mercantante: Last year, Middletown withdrew from the affordable housing unit program. Middletown has built hundreds of units of affordable housing and has had all three of its housing plans certified by the state. Last year Middletown went to court against a local group advocating for affordable housing because the group wanted Middletown to build 1000 more units of affordable housing. In response Middletown withdrew from fair share housing. There is no litigation, no objectors, no intervenors in the housing plan. Middletown manages hundreds of affordable housing units now. They continue to work with developers who are including affordable housing in their projects. They are just not dealing with fair share and the obligations.
Mertons: Is that going to be a sticking point for Stillman?
Middletown will not make it a sticking point. The cost to rehab these buildings is so high, that most people would understand that introducing an affordable housing component would make it harder.

Could someone object? Yes. Could someone apply for an affordable housing tax credit? Theoretically.

Mike Walsh: Should we be concerned about affordable housing? What about people who work out here (employees, NOAA, etc). Should that be a concern? This may be an issue and that this area is very expensive.

Superintendent Nersesian: We do have park housing set aside for employees. It is very prescribed and must be commensurate with market rates. We are open to discussion about housing availability in buildings outside the those designated under the RFP.

Pam McLay: Adds that we did have a bid by an affordable housing group at Fort Hancock but the project did not pan out due to costs associated with the rehabilitation and the program requirements.

Mertens: Understands the economy of scale required to build out all at the same time for Stillman's proposed 93 units but there is no historical absorption. How is that going to impact the community? Is there a market there for that?

Kevin Settimbrino: Developer is probably going to get a TCO/CO on a per building basis and the banks financing this project will be doing the evaluation on the financial viability of this project.

Tony Mercantante: The reality is that if after the first few buildings, they are not renting up quickly enough, he will slow down his pace.

Mertens: With this critical mass, this project will be more appealing to folks who have been watching from the sideline. Are there other buildings available?

Superintendent Nersesian: We have a number of buildings that are leased. Some under LOIs. We do take back up proposals for LOIs.

Don Stevenson: Historiic Architect –
93 units is not a problem. The way the trades work one after the other, a number of buildings is good because you get progress. Before you start you undertake market analysis so that you don't get caught with more than you can "sell." You establish those as a model before you begin construction.

Public Comment ends.

Back to earlier discussion about Stillman proposal (Stillman representatives exited at approx. 11:15).

How to communicate this development to the communities?
Superintendent Nersesian: As of today, this is public news. We post all of our minutes. We have a member of the press here. We must think about how we talk about this to the wider community. The Committee is the wider community and we will enlist their help.

Questions from the committee as to whether there will be a press release and who it should come from.

Superintendent Nersesian: Typically press releases come from the park service but the question is do we want to do one and what should the message be?

Jim Krauss: Thinks we should have a press release and follow up with various papers including Two River Times, Asbury Park Press, and Monmouth Journal to avoid rumor and misinformation associated with the previous developer's efforts here.

Gerry Glaser: A press release is critical. This is breaking news. As a trustee of the Sandy Hook Foundation, we have many board members who will be anxious to get this news out. To the extent that you can do this, some of the information shared by Stillman would be tremendous to include in the press release, especially since some of the words he used mirror the goals of

the Committee. Additionally, a press release would help provide a regional and comprehensive vehicle to communicate that message from the committee co-chairs.

Karolyn Wray: Agrees but thinks that to be cautious we should have a discussion with Stillman before we issue any press release.

Tony Mercantante: I would be cautious about a press release. Issuing one too soon will bring up questions we don't have answers to (traffic, school children, impacts from the development).

Gerry Glaser: The horse has left the barn. We need to make a statement.

Tony Mercantante: It is not prudent to release information until you have more concrete information.

Superintendent Neresesian: It is very preliminary and being vetted for feasibility. It is premature to release this information until there is more due diligence.

Tony Mercantante: Maybe we should do a press release about which buildings are leased and what is underway and fold the news about the proposal into that press release.

Mike Walsh: It is worth having a press release stating that the NPS has entered into discussions with Stillman Development for the remaining buildings. The park has to negotiate a letter of intent.

Shawn Welch: NPS should pull together a short press release.

Bennett Brooks: What I am hearing is get a press release out post haste and don't go beyond what we know. Committee members will share that information and all inquiries will be forwarded to NPS. Cochairs will provide quotes.

Gary Cassaza: Rumson just had an issue with affordable housing which was a result of a communication issue. What they learned was that it goes easier if you keep the public informed.

Sue Howard: WE can provide this information to our community. All residents who have memberships at the bathing pavilion will be notified in the newsletter.

Karolyn Wray recommends we notify the current Lessees.

Kim Rodriguez (Highlands Mayor – joined late): Is there a link that can be shared on the town's websites? We will share FOHA 21 information with her and park website.

Lillian Burry: It must come from NPS

Issue press release
Share FOHA 21
Share it on parks webpage
When sharing with committee, provide instructions on contact with the press
Notify current Lessees

Dan Saunders: A key component of the LOI should require they include an architect with experience getting historic tax credit project approved (it does not have to be their historic architect).

LOI Lease Holders Discussion:
Barney Sheridan – Lease Building #53
Excited about the progress in the building. Some concerns about electric service. JCP&L is difficult to deal with. Barney wanted to be open for early spring but is now hoping for early summer opening. Barney started this process in July 2017. He is opening a sandwich/ice cream shop. Hopes to get beach visitors in his shop.

Michael Walsh: Asks about signage. Will there be signage at the gate notifying them of this opportunity?

Superintendent Nersesian: We had discussed signage at our last meeting. We have a plan and will be discussing this at another meeting. In addition, we are getting new signage at the entrance that will allow the public to learn about what kind of business and other opportunities there are at the park.

Building 53 will be ADA accessible and will have a meeting room large enough to accommodate 70 people. Gerry Glaser commends him for managing this component because this is an issue at some of our other buildings.

One update from Superintendent Nersesian
Commissioner Joshua Laird of NPNH has taken a position with Palisades Interstate Parks Commission. NPS has decided not to fill that position. The NPNH office will continue to provide regional support and work on efforts but the parks will report directly to the Regional Office. However, this week, the superintendent received a delegation from the regional director to sign documents such as leasing determinations, and other documents necessary to move leasing project components ahead (provide list)

Leasing Discussion –
Identifying LOIs and Leases currently in effect and status of those projects
Presentation will be posted on website

Question about pulling the plug when there is no progress with a proposed Lessee from a Committee member

Superintendent Nersesian: That is a question we wanted to discuss with the committee Discussion about length of negotiations, terms of LOIs, period of time between LOIs to Lease (approx. 1.5 – 2 years).

Tony Mercantante: We need to give LOI holders a date certain by which to respond. We should leave the discretion to set date deadlines to the staff working on it.

NPS: At what point do we say something is a character defining feature and we need to move on because we are at an impasse?

NPS can decide to move on if there is an impasse on such things as character defining features or there is no progress.
But in cases where there is some progress, how should we proceed.

Mike Walsh: In the current real estate market there is confidence in the market. If someone cannot move this along quickly in this market, there is likely not going to progress and the LOI should be terminated

The Committee evaluates the status of current LOIs in effect.
Some Committee members recommend moving on once LOIs expire, especially in cases where there have been numerous efforts to contact the LOI Holder and make progress.
Other members recommend issuing one final letter notifying the LOI Holder of a drop-dead date.
Other recommendations: be strong and direct. No need to give continuous recommendations.
Additionally, once an LOI expires and NPS has given a related additional notice, issue a press release notifying the public the buildings are once again available.

Discussion about the LOI Holders investment under the LOI, and whether there will be shift once news of the new proposal is made public.
One of the committee members suggests that LOI Holders who are not in constant contact with NPS are not fully engaged.
Agreed: There needs to be a procedure that is fairly consistent. Additionally, if an LOI Holder has spent significant funds, relying on the consistent procedure in place can help avoid subsequent legal or other action.

Questions from the Committee about the LOI: Are they for multiple buildings? Yes. If you terminate the LOI, does that apply to all buildings? Yes, to all buildings identified under the LOI.
Maybe separate the buildings into individual LOIs?
Consider how it will look

Committee recommends NPS use its discretion to extend or terminate LOIs
And recommends it develop a policy incl clear deadlines, notification, some sort of mutual agreement to extend.

When any LOI is terminated, there should be a notification that the buildings are back on the market.

Question from NPS:
Based on experience, we have been issuing LOIs for 60-90 days and extending them based on progress. Based on experience and the need for providing additional time to LOI holders, the average term of an LOI for reaching a lease has been 1.5 years, and based on what we heard today from Stillman, who thinks it will take one year to issue drawings? Should we work to issue an LOI for a period of one year? Sounds like the Committee agrees

RECOMMENDATION

1. The Committee recommends Gateway staff use its discretion to put properties back on the market when an LOI holder is not demonstrating meaningful progress or negotiations have reached an impasse, taking into account broad considerations
2. Further recommends Gateway staff articulate clear and consistent policy notification and documentation for cancellation of LOIs.
3. This policy should address:
   Clear deadlines, interim milestones, schedules, notification, and opportunities for mutual extension
4. Gateway Staff should issue a press release whenever an LOI has ended and property has been put back on the market.
5. Also a recommendation that Gateway pay immediate attention to those properties that are either due to expire or will expire in the next month.

Also, going forward, when issuing new LOIs, NPS can set up LOIs for longer periods so long as milestones are included by which the LOI Holder must provide certain documentation or undertake specific action.

Specifically, regarding LOIs that expire imminently, we should provide notice of a date certain by which submissions are required to NPS.

Also consider a clause in the LOI which requires separate milestones for each LOI.
What are the implications of this discussion for the LOI NPS will develop with Stillman? One LOI with several milestones (for the package or for the buildings or some combination thereof) and the ability to sever buildings from the LOI when it makes sense.

Comment from Committee: We just want to make sure we are not giving an LOI Holder an option to freely hold buildings for any extended period of time.

Discussion: Committee thinks that discretion for the NPS to deal with such situations and the ability to manage expectations.

Next Topic: Ethics and Conflicts of Interest Policies. Follow up information from Ethics Solicitor resulting from questions raised at the October FACA meeting:

Is there a conflict of interest if I am on the committee and I want to lease a building?
What if I am on the committee and I want to work on a building
Answers: Committee members are not government employees and are not subject to ethical considerations applicable to gov employees.
However, committee is subject to what is written is its charter and that cannot be expanded after the charter is written. If you are a Committee member working on a project on a building, you need to recuse yourself from discussions regarding that building. If you are an official representative of a municipality which has leased a building at FOHA, you need to excuse yourself from discussions pertaining to that topic.

Ask Jen for notes from ethics solicitor

Tony Mercantante: no one on this board should have a direct financial relationship with one of the Lessees or one of the buildings. It does not seem the ethics officer advise really addresses this issue.

One of the committee members points out that if you stand to benefit from your relationship as a board member, you should recuse yourself.

Superintendent's Updates and Announcements:

- Park has new Fire Chief who is also charge of EMS. He will be stationed at Sandy Hook.
- Roof stabilization project – A&E will be out to Sandy Hook in the next few weeks. Gateway has $1.5-2 million set aside for that
- Beach Center D has been demolished. The area has been planted. Once we have more capacity in leasing, we will explore visitor services at Area D.
- Sandy Hook Theater – Design Build Contract was awarded in December. Design work is ramping up for the exterior of the building as well as exterior stabilization (from Hurricane Sandy project funds). Interior of the buildings will require a different funding source.
- Buildings 23 and 56 construction is expected to start within the next few weeks. Special thanks to Lillian Burry for her support.
- Water treatment plan = ongoing roof project. Next phase design work to replace windows, emergency back up power, and

- Paving projects underway at SAHO and will continue
- Guardian park restroom – complete rehab required. Construction should be starting soon

Nike Barracks project – in partnership with Sandy Hook Foundation (Paying half), moving into construction this year

Gunnison lifeguard shack roof is going to be done.

- Solar powered crossing signs are being installed

- USCG is proposing to demolish two brick buildings. Upcoming meeting 3/27/2020 with USCG and NPS.

Action Items and Recommendations:
LOI Holder Recommendations
General Policy and
Immediate Outreach to LOI Holders
Press Release on Stillman asap
Parks website
Quotes from Co-Chairs
Touching based with Developer
Protocol for press with new FACA members/started
Stillman Next Steps
LOI
Code Review
Tax Obligations

Regarding next meeting proposed must account for the fact that the Dept requires notes from previous meeting before allowing new scheduled meeting

Need at least 6-8 weeks' notice to DOI to schedule

Last minute comments from Dan Stevenson
Add the deliverables with milestones to the LOI or you will be back to to where you are

Adjourned 2:47

- Review Notes, Confirm Action Items and Recommendations
- Adjourned