

Minutes were chair certified for accuracy on September 10, 2024.

**FORT HANCOCK 21st CENTURY ADVISORY COMMITTEE
MEETING #43
May 20, 2024
9 am – 1:15 pm
Virtual Meeting**

Agenda Items for This Meeting:	<ul style="list-style-type: none">● Advisory Committee Updates● Leasing Update● Leasing Initiatives● General Park Update● Key Takeaways, Committee Recommendations, Next Steps
Recommendations from this Meeting:	<p>Related to Sandy Hook Foundation: The Advisory Committee greatly welcomes the Sandy Hook Foundation’s efforts to support the park’s historic structures leasing program and looks forward to receiving the SHF’s assessments and recommendations. The committee further acknowledges the potential value of SHF participation and recommends the following: *That the park engage the Foundation in efforts that would facilitate such work in support of the residential use model recommended by the committee and adopted by the park *As the park’s independent non-profit philanthropic partner, the Foundation may have access to community and governmental resources not available to the advisory committee or the NPS. The committee acknowledges that special access and recommends that the Foundation pursue those avenues, in consultation with the committee and park leadership.</p> <p>Related to Stillman International The committee recommends the Park continue to explore potential avenues to close the funding shortfalls (such as reauthorization of Great American Outdoors Act (GAOA); financial opportunities arising from the Symposium; opportunities arising from the Financial Working Group; etc.) between now and the next Committee meeting (September) before revisiting the committee’s recommendation to the Park regarding its agreement with Stillman International and its proposal for 21 buildings within the Fort Hancock Historic Post.</p>

*At the same time, in case the partnership with Stillman proves not viable, the National Park Service should develop alternatives (a “Plan B”). This can include looking anew at interest in and proposals for individual buildings. The Park should use its best judgement in determining when viability ceases and then take the appropriate actions to move forward.

*The Committee recommends the Park, with the assistance of private third-party experts, takes a closer look at project pro formas presented by Stillman International to better understand what is driving project costs.

General Recommendations

The committee recommends the Park continue to stabilize the buildings within the leasing portfolio such as work already underway such as the roofing project on officers’ row and;

* Future projects such as masonry stabilization

*Emergency window and door closures to keep the elements out pending future rehabilitation.

*Mitigate the vegetation growing inside the walls and up to the roofs

*Continue rehabilitating the porches on Officers Row

Once the buildings have been stabilized, the Park should consider the merits of focusing Gov’t Investment on improving individual buildings one-by-one to get them online sooner and generating revenue.

Attendees:

NPS: Jennifer T. Nersesian, Gateway National Recreation Area Superintendent and Designated Federal Officer (DFO); Karen Edelman, Gateway Business Services; Mimi Berfield, Gateway Business Services; Matt Hankins, Gateway Business Services; David Jordan, Gateway Business Services; Daphne Yun, Gateway Public Affairs; Angela Campbell, Acting Sandy Hook Unit Manager; Patti Rafferty, Chief of Resource Management

Facilitator: Bennett Brooks

FACA Committee Co-Chairs: Shawn Welch

FACA Committee members: Linda Cohen, Patrick Collum, Mary Eileen Fouratt, Dorothy Guzzo, Mike Holenstein, Bill Kastning, Jim Krauss, Tony Mercantante, Michael Walsh
Sandy Hook Foundation Chairman Pete Izzo

This meeting focused on exploring and discussing next steps for the leasing program at Fort Hancock. The primary goal of the program is to ensure the buildings are preserved and that the public can walk around the northern part of Sandy Hook and experience the landscape as it

would have been during the heyday of military use. Seven buildings are leased, four are under a letter of intent, and 21 are under a general agreement with the Stillman Group. At the November FACA meeting, Gateway Superintendent Jen Nersesian shared that Stillman's estimated cost of renovating the 21 buildings for residential use (which was deemed to be the best return on investment) was over \$100 million. This leaves a \$50 million gap that needs to be addressed. Both the role of a non-profit partner and the idea of incremental work with federal funding were discussed at this November meeting as well.

Park staff met with the Stillman group after the November 20, 2023, meeting to discuss the issues. The Stillman Group is willing to work on the project in an incremental basis but would still need the whole portfolio to make the project work financially. In other words, they still would want all of the buildings that are listed in the general agreement. Therefore, a financial plan is necessary even to move forward on an incremental basis. The superintendent thought that this would probably be the case for anyone making this level of investment. She continued that there is the possibility that there is not a viable pathway forward at the scale of investment needed for this gap. If the park eventually reaches that conclusion, it would likely need to move on from the Stillman agreement.

An incremental strategy for rehabilitating the buildings in the leasing portfolio was discussed. Should the NPS work on a building or two at a time and rehabilitate them completely or should there be a systems approach? A systems approach would be like the Officers Row roof project. With an investment of a little more than \$3 million the park was able to work on 15 buildings. The roofs were seen as an important project as buildings would be lost without roofs. The superintendent thought that masonry might be the next step, given the extent of failing brick work. Masonry would be followed by windows and porches. The superintendent proposed that the park continue to move forward on a systems basis with smaller investments with the goal of keeping buildings stabilized as larger and alternative financing models are also researched.

The superintendent asked for the committee's input and welcomed any formal recommendations. The superintendent also asked the committee for their thinking about the Stillman project and the timing of looking at other financing options.

Committee members wondered if it was prudent to stay with Stillman at this time. The use of the buildings for residential housing was also questioned. In the end, no matter who the private investor is, the park and committee need to figure out other types of investment to help move the project forward. Residential use has the highest return on investment with less risk than other potential uses.

The terms of the general agreement and leases were also discussed. Either party can terminate a general agreement with a certain amount of notice. Leases are not signed until the lessee can demonstrate the financial capability to move ahead with the project.

The Executive Chair of the Sandy Hook Foundation, Pete Izzo, spoke. The Sandy Hook Foundation is the federally recognized, tax-exempt, fundraising Friends group for the National Park Service at Sandy Hook. The foundation was established in 1989, and funds cultural, educational, environmental and conservation programs. The possible role the foundation could play was discussed, including the plan for a symposium that would bring together people and groups interested in developing solutions for Fort Hancock. More information about the foundation can be found on their website, www.sandyhooknj.org.

Field Code Changed

An overview of the financial subcommittee's initial meeting was given. Members of this committee include Gerry Glaser, Shawn Welch, Mary Eileen Fouratt, Dorothy Guzzo, Michael Holenstein, Nora Kerr McCurry, Tony Mercantante, and Michael Walsh, Pete Izzo from the Sandy Hook Foundation, and NPS Staff. The initial meeting included a discussion of the symposium and possible avenues for small grants.

Committee members brought up the need for a plan B. It was summarized as: Continue pursuing the Stillman project for now, but – at the same time – start exploring a Plan B (fallback options such as leasing smaller groups of building, etc.) in case the Stillman project proves not to be viable. Regardless of approach, Committee members supported the Park continuing to work on improving systems such as masonry and windows.

The superintendent stressed the importance of structuring a new opportunity in a way that minimizes the challenges and maximizes our opportunities for success with these historic buildings. There are some dynamics that could change Plan B as time passes. If no investments are being made to the buildings, the deterioration will continue to grow, as will the cost of the project(s). One idea put on the table: grouping buildings with loss leaders (those less deteriorated) to make sure that even the buildings in most disrepair receive investment.

Two people spoke during the public comment period.

Muriel Smith is a journalist from Atlantic Highlands. She covers Sandy Hook news in her blog as well as several of the local newspapers. Muriel thanked the NPS staff for all they do and recommended that they stick with Mr. Stillman. Muriel asked about the status of Building 23, and if there was a backup plan in case Monmouth County pulls out of the agreement.

The superintendent said the park also wants to see what the next steps are for the county are in the process of this building.

Brian Samuelson, who had the first lease under the current Request for Proposals, also spoke. He agreed that a Plan B was necessary, and that many people are interested in some of the buildings that are currently tied up under the general agreement.

A committee member asked about the possibility of adding new buildings to the leasing program, especially those to the east of the Mule Barn. The superintendent said that the park is not able to renovate those buildings due to their location in an area highly vulnerable to flooding. There is potential for someone else to renovate them. As they are historically significant there may be an approach where some of the structures could be kept and used for a picnic pavilion or the like that doesn't require a high level of maintenance and still preserves some of the original structure for the public's benefit. NPS also has an agreement with the Advisory Council for Historic Preservation stating that a planning process to weigh out alternatives would take place before any steps are taken with these buildings. Even though there is interest in these buildings, the planning process must take place before anything else is done. It is also important to focus the park's staff time and resources to move forward the leasing program on buildings that are both the highest priority and in the most danger of complete deterioration.

Commented [MOU1]: Daphne - Please make sure I've characterized the risk properly.

The committee worked on recommendations. They are as follows:

Related to the Sandy Hook Foundation

The Advisory Committee greatly welcomes the Sandy Hook Foundation's efforts to support the park's historic structures leasing program and looks forward to receiving the SHF's assessments and recommendations. The committee further acknowledges the potential value of SHF participation and recommends the following:

- That the park engage the Foundation in efforts that would facilitate such work in support of the residential use model recommended by the committee and adopted by the park
- As the park's independent non-profit philanthropic partner, the Foundation may have access to community and governmental resources not available to the advisory committee or the NPS. The committee acknowledges that special access and recommends that the Foundation pursue those avenues, in consultation with the committee and park leadership.

Related to Stillman International

The committee recommends the Park continue to explore potential avenues to close the funding shortfalls (such as reauthorization of Great American Outdoors Act (GAOA); financial opportunities arising from the Symposium; opportunities arising from the Financial Working Group; etc.) between now and the next Committee meeting (September) before revisiting the committee's recommendation to the Park regarding its agreement with Stillman International and its proposal for 21 buildings within the Fort Hancock Historic Post.

- At the same time, in case the partnership with Stillman proves not viable, the National Park Service should develop alternatives (a "Plan B"). This can include looking anew at interest in and proposals for individual buildings. The Park should use its best judgement in determining when viability ceases and then take the appropriate actions to move forward.

- The Committee recommends the Park, with the assistance of private third-party experts, takes a closer look at project pro formas presented by Stillman International to better understand what is driving project costs.

Park updates were the last item of the agenda.

Both the roof project and the water well project will be finished by the end of the summer. There are also several Great American Outdoor Act projects moving forward. The drinking water and wastewater system is a \$14.2 million project that should be finished by the end of 2025. There is also a project to rehabilitate two of the seawall systems at Sandy Hook: the seawall in front of the chapel and the one in front of Officer's Row. This \$83 million project should get started later this summer. The electrical system rehabilitation is a \$8.6 million project that will help make the power grid more resilient.

Park programming ramps back up in June with extended hours for the visitor center, lighthouse tours, and the History House. There's also weekly yoga on the beach, birding, junior ranger activities, and many other programs. Fee collection booths open Memorial Day weekend and lifeguards will be on duty.

The park is bringing on more staff through the Inflation Reduction Act, including a team that will focus on some revitalization efforts throughout the Park. One of the things this team will focus on at Sandy Hook in this northern post area are the issues of parking, circulation access, and lighting to make sure that those are managed in a thoughtful way and in a way that is protective of the resources and creates the best visitor experience. A climate change adaptation planner is also being hired. They will help the Park look at its sites and using the climate vulnerability assessment data to help create a larger strategy on Park investments and operations given the anticipated climate changes.

The Social Equity Working Group has not been reconvened recently as the current focus is on how to make any investment work right now and figure out the next steps for the buildings. This group will be reactivated once the trajectory of the project is understood.

The meeting ended at 1:16 pm.

General Recommendation-

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