

**FORT MONROE
FEDERAL AREA DEVELOPMENT AUTHORITY
February 13, 2008 ~ Meeting Minutes**

The Fort Monroe Federal Area Development Authority (FMFADA) meeting was held on February 13, 2008, in Richmond at the Science Museum of Virginia.

I. ADMINISTRATIVE MATTERS

A. Call to Order and Opening Comments. The Honorable L. Preston Bryant, Jr., Chairman.

Chairman Bryant called the meeting to order at 1:10 p.m.

The Chairman alerted the Authority to the fact that it had a very important agenda for the day's meeting. Senator Miller would be arriving at 3:00 p.m., at which time the Executive Session would need to commence.

B. Roll Call. Chairman Bryant

Present:

Secretary Viola Baskerville, Dr. Alvin Bryant, Secretary L. Preston Bryant, Jr., Marc Follmer for Robert Crouch, Dr. Rex Ellis, Catharine Gilliam, Secretary Patrick Gottschalk, Mr. Robert Harper, Dr. Kanata Jackson, Dr. Wayne Lett, Senator Mamie Locke, Senator John Miller, John Quarstein, Tommy Thompson, Bob Young for Secretary Jody Wagner.

Interim Executive Director, Conover Hunt, Mr. Curt Shaffer, Assistant to City Manager of Hampton, and Army Liaison Colonel Jason Evans were also present.

Absent:

Delegate Tom Gear, Delegate Phil Hamilton, Robert A. Scott, Hampton City Council Liaison Joe Spencer, and Dr. Charlie Sapp.

C. Approval of Minutes from the January 4, 2008, Meeting

A quorum of Authority voting members was achieved at 1:30 p.m. No additions or corrections were suggested to the draft minutes. Chairman Bryant moved to approve the minutes as submitted. Minutes were adopted unanimously. See Section III. A. 4.

II. PUBLIC COMMENT

Chairman Bryant asked to proceed quickly to the open public comment. Interim Executive Director Conover Hunt and Chairman Bryant directed the public to use the sign-up sheets placed at the back of the room. With no public comment offered at that time, Chairman Bryant mentioned there would be another public comment opportunity at the end of the meeting, and moved on to Ms. Hunt's presentation. The Authority received input from three individuals during the final segment of the meeting. (Appendix I)

III. REPORTS & BRIEFINGS

A. Executive Director's Report. Conover Hunt, Interim Executive Director

1. Financial Report. (Appendix II). Ms. Hunt began her remarks by directing Authority members to the budget information enclosed in the presentation packets, starting with the City of Hampton Fort Monroe Federal Area Development Authority Statement of Revenues, Expenses and Changes in Fund Net Assets for the Seven Months Ended January 31, 2008. The Authority, she remarked, did not have these budget figures in time for the January 4 meeting. Subsequent to the report, there had been a transfer from the state for an additional \$150,000 to the financial account in Hampton.

Ms. Hunt proceeded to bring the Authority up to date on the budget. When Fort Monroe FADA's existing budget was approved last July, it was approved with the knowledge that it was an

estimated budget, of about \$1.22 million. Ms. Hunt noted that the figures on her handout had been “generously rounded off.” The adjusted budget as it looks today, Ms. Hunt explained, is going to be under the existing budget, and will be about \$1.147 million, plus or minus.

Turning to the next page of the handout, Ms. Hunt pointed out that the projected income, in whole numbers, reflected allocations from the state to Fort Monroe FADA since May, 2007, of \$525,000; that amount included the most recent transfer of \$150,000. There was \$80,000 in city-awarded state grants that were made in late 2006. Forty thousand dollars (\$40,000) of that was pending discussions with the City. FMFADA had asked the City to administer those two grants “rather than returning them to the state coffers.” The OEA grant of \$170,000 covered the period from October 1, 2007 through September 30, 2008. FMFADA applied for an adjustment to that award, submitted in January; the adjustment would run from January, 2008, also through September 30, 2008; the total of the requested adjustment was approximately \$900,000. That would give the Authority \$1,070,000 through September, 2008. For the symposium, FMFADA received two grants: \$1,500 from Old Point National Bank in Hampton and \$1,500 from the Department of Historic Resources (DHR). Ms. Hunt interjected that the Authority “is always delighted” to work with DHR as it looked towards the future.

The total monies that the Authority was dealing with are \$1,678,000. The carryover noted on the handout represented fiscal year 2008 budget carried over three months to the fiscal year 2009 budget. It is entirely possible, Ms. Hunt suggested -- and FMFADA is waiting final word from OEA on the details -- that there could be some potential reimbursement to the state on funds it has already advanced into FMFADA’s account, depending on *when* the adjustments went into effect. Ms. Hunt expressed her gratitude to the Office of Economic Adjustment for its timely assistance in this regard.

2. Tourism Study.

The next item, Ms. Hunt continued, is the Tourism Study, discussed at an earlier meeting. FMFADA developed a Request for Proposal (RFP) which was reviewed and sent out in January, 2008, to approximately 15 national vendors. At that time, the Authority had authorized expenditure of up to \$150,000 for the study, pending a re-visit of this topic by this Authority. The timeframe for this study is 90 days. The timeframe reflected the need to gather all the figures so as to allow the consultants to immediately apply them to revisions to the Reuse Plan -- in order for the Authority to remain on schedule for taking a look at possible approval of the Reuse Plan by spring or summer of 2008.

Three proposals were submitted, and each qualified. All three qualifying proposals were from American companies and reflected quotes of \$75,000 plus expenses, \$96,000 plus expenses, and \$350,000 **including** expenses. Some negotiation on the issue of expenses would, obviously, be necessary, Ms. Hunt commented, and added that she was very pleased with the quality of the proposals and that some of the firms have skills that can be brought to other areas of the Authority’s planning. The Authority established a committee that is reviewing the proposals; the committee members are Alisa Bailey, President of Virginia Tourism Corporation; Rex Ellis, who is the Heritage Tourism appointee to the Authority; and Sallie Grant-Divenuti of the Hampton Convention & Visitors Bureau; Sallie was also involved in the Visioning Session. There is a point-spread in the RFP and there will be quantified evaluation of those proposals.

The content for the RFP included recreational tourism, heritage tourism, and a preliminary look at resort tourism. In order to make the 90-day deadline, the Authority would be asking whomever is the selected contractor to give the Authority weekly reports so that it the Authority can furnish it to the consultants for making adjustments to the Reuse Plan. The Authority must issue a contract by February 29, 2008.

Ms. Hunt then stopped to make a request of the Chairman: an authorization of up to \$115,000, pending the review by the selected committee. Ms. Hunt added that, of course, the decision of the committee would be shared with the Chairman, and whomever else from the Authority Chairman Bryant felt would be appropriate. To meet the deadline, Ms. Hunt did not recommend waiting another month to give the go-ahead to issue this contract.

Chairman Bryant commented that he did not currently have a quorum to act on the request, but that the motion would be that no more than \$115,000 would be issued for this contract. Once the Authority had a quorum, it could then resume discussions of this issue. Ms. Hunt thanked the Chairman, and added that Mr. Quarstein was very interested in heritage and tourism plans.

On other issues, Ms. Hunt was very proud to say that the WHRO film, *Kingdom By The Sea*, will be shown at the New York Film Festival, at the end of next week.

3. Economic Development and Maintenance. Ms. Hunt indicated that the Authority had requested from the Secretary of Administration a team of specialists from the General Services Administration to visit Fort Monroe to take a look at maintenance estimates. The issue of what it will cost to maintain Fort Monroe would not be a matter of what it has cost the Army, but rather what it will cost the state. The Authority needs to establish a baseline for the renovation and restoration costs. Furthermore, there would be the need to revise economic estimates that exist in the draft reuse plan, adding income projections to the parent authority for purposes of leases, short and long-term, and whatever concession revenues could be achieved. And, there would be a need to finish developing a firm scope of the management responsibilities for the parent organization. In the packet, Ms. Hunt continued, were the revisions of the numbers for what it would take to maintain the property inside the moat. She described the site as containing 63 acres of real estate and a rather large fortress, plus residences and all kinds of different buildings. Basically, in looking at the figures, it would appear there is a difference between the way the Army runs them and the way the state does, and that the utilities run approximately \$1 per square foot. Ms. Hunt said she would confirm that figure with the Department of Public Works. FMFADA is benefiting, as difficult as it was for Ms. Hunt to say, from the horrible aftermath of Hurricane Isabel since the Army has since expended nearly \$90 million in repairs and upgrades to Fort Monroe. So in looking at lower numbers, the cost of building maintenance for some 645,000 square feet of real estate is an average – right now – of \$538,000 a year, \$419,000 for utilities – nearly one million dollars annually total. This does NOT include some expensive additional maintenance – mowing, landscaping, staffing, etc. But certainly, FMFADA has benefited from the work the Army has done, and is grateful to the Army for providing the baseline numbers that will help the Authority to understand what it is looking at. In Ms. Hunt's experience, as she herself noted, it has always been an issue of raising enough money to take care of the properties that must be cared for directly by the parent organization.

Ms. Hunt commented that there were many decisions that needed to be made in the future, including setting priorities on what properties the Authority would want to directly maintain. Ms. Hunt believed that Authority would benefit from additional input on historic property reuse, and would need to learn from the state which state agencies might in fact want to find quarters there, and under what terms. Ms. Hunt further expressed her belief that the Authority needed to provide more direction on the proper balance between those who could generate income for the parent organization and tax revenues for the City of Hampton and those that were non-profits, or using the term employed by the Presidio, "public activities" (non-tax paying). The Authority is working with Hanbury Evans on specific historic building uses. Ms. Hunt recommends, first, that the Authority take a look at bringing in specialists from the outside who could perhaps, in a more rapid manner, pin down some appropriate building uses for other areas in the inventories, so that the Authority could in earnest start to think economically about real estate development, and second, that the Authority immediately start to address governance issues.

4. Acknowledgements. Ms. Hunt introduced Trudy O'Riley, who was instrumental in effecting an extraordinarily positive and wide-spread public relations strategy for the Civil War symposium. Trudy even went so far as hosting a dinner for the visiting scholars and has been working on the FMFADA website launch. Ms. Hunt extended thanks to Suzy Carlson from the Virginia Department of Environmental Quality for taking minutes in Joan Baker's absence, and to the City of Hampton with regard to turning its Fort Monroe website over to FMFADA. The new website would be available soon, and the concept would not be too different than what one would experience when visiting the City.

Questions/Comments:

Question: Secretary Baskerville inquired about the timeframe. Response from Conover Hunt: Something by the end of March.

Ms. Hunt then asked Chairman Bryant if the Authority had a quorum, which in fact it did.

MOTION. With a quorum in place, Secretary Bryant asked whether there was a motion to adopt the minutes, a draft copy of which was enclosed in Authority member packets. It was moved and seconded to adopt the minutes. The minutes were adopted unanimously.

5. Board Discussion – Tourism RFP. Chairman Bryant asked that there be a motion on the table to approve the Tourism Study contract of up to \$115,000. A motion to approve the \$115,000 for the Tourism RFP was moved, seconded, then moved to the floor for discussion.

John Quartstein: It is very important that the study's tourism aspects be done to understand the options available – to enhance dollars generated from tourism.

Mr. Thompson: Would the Chairman need additional appropriation? Ms. Hunt responded. In the revision of the fiscal year 2008 budget, the 1.147 figure included \$115,000 for the Tourism Study bid, and also included a certain amount of money for miscellaneous studies . . . "we've got some wiggle room."

MOTION. Dr. Bryant moved, Secretary Baskerville seconded, the motion to approve up to \$115,000, to be expended for the Tourism Study, for which Conover had outlined the scope. The motion passed unanimously.

Ms. Hunt concluded her presentation by remarking the Authority had a really great show planned for the afternoon, with its group of talented consultants providing the Authority with more information and a hopeful view of how Fort Monroe could be a place where history is respected, the public can have access, and where the site could achieve economic sustainability.

B. Investment Tax Credits: How They Work. Kathleen Kilpatrick, Director, Virginia Department of Historic Resources

1. Prefatory remarks from Chairman Bryant.

Chairman Bryant underscored Ms. Hunt's point with regard to this being a very important meeting, and urged Authority members to pay very close attention to the presentations of the consultants. Chairman Bryant alerted Board members; the Authority is getting very close to the point in which it is refining the Reuse Plan and the consultants will need to hear very clear direction from the Authority today so they can proceed, as FMFADA is on a tight timeline. As a reminder to the Authority, Chairman Bryant reiterated that the Authority must complete its draft reuse plan by June to submit to the Governor, so he can look at the plan and "bless it or not," and then in August, or thereabouts, submit the plan to DOD. Chairman Bryant indicated to the Authority that it was currently on schedule, but encouraged Authority members to provide very good feedback to the consultants as the plan goes forward.

Chairman Bryant introduced Kathleen Kilpatrick, the Director of the Department of Historic Resources, who has “most expertly led” the Department for a dozen years, and added that Ms. Kilpatrick would be explaining in her presentation how historic tax credits play a role. Chairman Bryant congratulated Ms. Kilpatrick’s successes in having built Virginia’s program into the nation’s second largest in terms tax credits utilized -- Virginia is only behind the *Show Me State*, Missouri.

2. Briefing.

Ms. Kilpatrick’s began her slide presentation, *Redevelop Smart: How Tax Credits Can be Used at Fort Monroe* (Appendix III), by saying that she would like to relate how important a tool the rehabilitation tax credit can be as the Authority thinks about the use of Fort Monroe, recognizing that tax credits are an essential tool for encouraging preservation and adaptive reuse, and the economic benefit that comes along that activity. Often times, Ms. Kilpatrick continued, she would find, as she traveled around the Commonwealth, that the difference between a landmark and a white elephant is finding the right productive use. The nexus is finding the right productive use [of architecture] that preserves the character, quality, the fabric of our communities, and the fabric of our buildings, while allowing for economic opportunities. Rehabilitation tax credits, she emphasized, are a means to preserve historic properties, revitalize communities and to strengthen the tax base, while offering financial incentives for reuse and promotion of private investment.

Ms. Kilpatrick compared tax credit features of two parallel programs – those of the federal program with those of the Virginia program, and offered statistics from the economic impact study of Virginia’s Program that supported the slide’s title line (and accompanying booklet) – *Prosperity Through Preservation*. The study’s results served as an important marketing tool. Ms. Kilpatrick cited case studies that utilized Virginia’s Historic Rehabilitation Tax Credit Program to rehabilitate diverse structures: hotels, movie theatres, industrial buildings and mills, automotive buildings, schools, shopping centers, residential complexes, and multiple building properties, including a state prison and state mental hospital.

Ms. Kilpatrick outlined the issues of ownership and syndication (defined as a tax credit that would be transferred to the taxpayer in exchange for money), pass-through entities, and lease arrangements. In her concluding remarks, Ms. Kilpatrick pointed to the fact that the state has a huge opportunity – this is a tool that is available for preservation, economic opportunity, restoration, and the long-term health of Fort Monroe, providing a lively place that the Commonwealth – and our partners – will be proud of.

3. Questions/Comments:

Conover Hunt: What do you think the market is like for a this particular type of developer (such as those active in the Dallas area) to come in and rehabilitate these historic buildings using the investment tax credits – are we national on this? Response from Ms. Kilpatrick: We are totally national on this. We’re seeing vigorous interest on the part of larger developers – a queuing up of parties interested in preservation efforts.

Conover Hunt: Do you think the interest in the outside developer market would be such that Fort Monroe FADA should be able to attract a series of investors in a relative short amount of time, to begin work in there – that we would begin to see some dramatic activity? Response: Ms. Kilpatrick envisioned opportunities for many different partners through long-term lease arrangements, through the pass-through entities. There will be room for different companies with different strengths, whether for mixed-use, residential, or commercial.

C. Historic Building Usage, Update. Greg Rutledge, Hanbury Evans, Wright, Vlattas + Company

1. Prefatory remarks from Chairman Bryant

The developers of the Chamberlain Hotel have offered to let the Authority tour their facility – perhaps at the Authority’s next meeting. If there’s an interest, perhaps the Authority members could plan on arriving about an hour early for our March meeting. With the Authority’s concurrence, Chairman Bryant said he would start talking to the hotel to try to set up the meeting, and would be back in touch with the Authority with the details. Chairman Bryant: we are approaching – perhaps past the time – that we get a very, very good understanding of community development authorities and market tax credits -- joint ventures and other public-private partnerships that the Authority can perhaps entertain as it goes forward. And as the Authority is contemplating governance type issues, possibly at the March meeting it can arrange for an overview of the various options.

Chairman Bryant welcomed Greg Rutledge -- Mr. Rutledge is with Hanbury Evans, Wright, Vlattas and Company, and will bring the Authority “up to speed” on some of the work his firm has been doing in looking at adaptive reuse at Fort Monroe.

2. Briefing.

Mr. Rutledge recalled for the audience that last summer his firm presented an overview to the Authority of the historic resources at Fort Monroe, and last December presented a more detailed picture of what the resources are, what some of the buildings are used for. Now, his firm is taking this a step further to look at potential reuse planning scenarios, one of them being, “what if we looked at” buildings that were being used as non-residential buildings and adapt them for more residential use (adaptive reuse, residential conversions). Another is a case study looking at Building 5 as a potential restoration project, possibly even using tax credits to do that (restoration/renovation – case study).

Building 5 is the main building on the north side of the parade grounds. It has been altered heavily over the years as its uses have changed, but still remains quite a presence at Fort Monroe. One of the great advantages in working with Fort Monroe is that there are a lot of historic resources and historic data with which to draw on for building renovation and restoration. Mr. Rutledge’s slides projected images of what the building could look like after a partial façade restoration. Similar restoration efforts could be applied to Buildings 9, 10, 134, 139.

The remainder of Mr. Rutledge’s presentation focused on the prospectus his firm had done looking at the conversion of 18 buildings currently being used as non-residential properties: a “what if” scenario in which those buildings were converted to residential use. Schematic plans for all 18 buildings were included in Authority member packets. Looking at the floor plans, there was a potential of accommodating about 358 residential units in the 18 non-residential structures. Mr. Rutledge emphasized that his firm has superimposed their plans over historic building plans in order to consider such things in the building as the original circulation patterns -- important interior features to be respected when applying for historic tax credits. The final slide summarized, by building, the number of potential apartment units available under a residential conversion scenario.

3. Questions/Comments

Chairman Bryant: Can you provide us a ballpark figure on the cost of renovations per square foot? Response from Mr. Rutledge: For residential, the high one-hundreds, maybe \$200 - \$205.

Conover Hunt: Did you say that in all of those buildings your firm did not propose any apartments on the first floor? Response from Mr. Rutledge: Some buildings are only two stories, others taller. The buildings with at least three floors and having a potential for flooding – it is for those buildings that his firm proposes not to have apartments on the first floor.

Dr. Bryant: What is the effect of these scenarios on transportation? Response: We will have to look at the external roadway network a little bit differently.

D. Revision the Draft Reuse Plan. Margaret Flippen and Victor Dover, Dover, Kohl & Partners

1. Prefatory remarks from Chairman Bryant.

Chairman Bryant welcomed the next speaker, Victor Dover, of Dover, Kohl & Partners, out of Florida. Dover, Kohl & Partners, as the Chairman reminded the Authority, prepared the baseline reuse plan for the Hampton Federal Area Development Authority, the Authority's previous entity, that the Authority has been working with since then. Mr. Dover and his colleagues do this work all over the country, Chairman Bryant continued, and recently completed work on Richmond's downtown master plan, which received raves, and projects in Lynchburg. Dover, Kohl & Partners has done a very good baseline document for the City of Hampton and Hampton FADA.

2. Briefing Victor Dover opened by describing his firm as one which has been working with a large team of specialists and technicians, many of whom are still working for the Authority. The goal of his staff's presentation, Mr. Dover said, was in part to provide a quick refresher for folks with regard to the content of the first draft reuse plan. The purpose of refresher was offer a basis for moving on to the plan the Authority wants – the new scenario. Fort Monroe is a special place, not just because of its place in history, but because the nature of the land and the role of real estate. Originally, Mr. Dover's firm outlined three comparable scenarios, the common element in the three plans was to be the large amount of open space. Each scenario, he elaborated, tried to keep constant a very high level of urban design -- the idea of traditional town planning. The goal was to be a whole and sustainable human settlement after the buildings were re-occupied. Similarly, there was a large focus on the historic character of the place. The objective was not to select one particular plan, but rather to set all plans available to review, evaluation, and comparison. The variables used to distinguish between the three scenarios were: (1) how much territory is devoted to new development? (2) how much territory is devoted to open space? (3) how intense and dense is the new development? Mr. Dover discussed the 'Fort Monroe essentials,' a series of five principles incorporating urban design, preservation, policy, promotion of responsible growth and development, that formed the foundation for his firm's design scenarios. In each scenario, the historic structures, landscapes, and views were to be preserved. Mr. Dover suggested the Authority would temporarily put on hold Scenarios 1, 2, and 3 and build a new and better scenario – Scenario number 4, taking into account that Scenario 4 would still preserve historic structures, landscapes, and views. Scenario 4, he added, would add quality. When selective infill would be completed, the idea was to have complete neighborhoods. No new development was proposed for the area within the moat or the stone fort. One significant change would be that the parking that currently occupied part of the historic parade ground should be relocated.

Mr. Dover indicated he would be seeking affirmation from the Authority as to whether these concepts were still what the Authority wanted – for Scenario 4. Mr. Dover continued by explaining that the North Gate area offered the key opportunity for infill development. The plan called for new street connections that would transform North Gate Road, make it mixed-use, and create a pedestrian-friendly entrance to the stone fort. What was important, he emphasized, was the relationship of the buildings to the public spaces.

Mr. Dover interpreted the architectural renderings on the slides and envisioned 'incredible' waterfront view possibilities along Stilwell Drive. Proposed changes would be that fronts, rather than backs of buildings would be visible from the waterfront, thus representing 'trade-up' from existing chain-link fences, warehouse buildings, and technical equipment currently parked in the area. Mr. Dover clarified that although the illustrations suggested residential structures, new buildings would not necessarily be dominated by residential housing. Other slides, moving north of the stone fort and water battery area, depicted hypothetical re-development of the area where some of the warehousing remains today, the concept being that new neighborhoods would grow north of the stone fort. The plan, as he continued, incorporated a compact, walkable neighborhood – a means to accomplish the goal of limited development, yet still have a lot of land available for a large-scale open space park. Mr. Dover reiterated "what's important . . . the most important concept" . . . was ability to make new buildings, new spaces, that "speak the language of Fort

Monroe”, *i.e.* new buildings that work next to and alongside existing buildings in the preserve, and that building heights are limited to principally two to three stories so that they are not overwhelming.

Mr. Dover reviewed the charts that displayed hypothetical square footage yield analyses and the estimated annual fiscal impact of the reuse scenarios of the three plans. The City of Hampton had produced its own analysis that projected the fiscal impact to the City’s bottom line – the City of Hampton’s share of estimated retail sales taxes, food/beverage taxes, real estate taxes, lodging taxes. The charts in the presentation did not take into account land sales or leases – only the potential impact on the City and the City’s ability to recoup expenses associated with providing city services. Mr. Dover alerted the Authority to the fact that the fiscal impact of the reuse scenarios would need to be “revisited” in light of new objectives, and the state was currently working on this.

At this point, Chairman Bryant, asked Mr. Dover to re-state his point – the expected tax yield would be over and above the cost of municipal services. Mr. Dover confirmed that that statement was correct. Chairman Bryant emphasized that the Authority would not want the City of Hampton to be put in a deficit situation; additionally, the Chairman clarified with Victor Dover that the numbers did not include any private reuse of Building 5. Mr. Dover explained to the Authority that there were many variables with the chart. One such variable would be the amount of money it costs the City each year to deliver services; it varies according to the type of unit. For example, an apartment leased by seniors would be demanding different levels of service, typically lower, than a single-family detached house full of school children.

Mr. Dover concluded his portion of the briefing by saying that the current thinking -- the direction his firm has been getting -- is that Scenario 1 is the strategy to start with. Mr. Dover indicated he would be asking the Authority to confirm that supposition.

Margaret Flippen continued with the next segment of the Dover, Kohl & Partners presentation. Chairman Bryant interjected that Margaret, who had been the principle planner for the Authority, would be leaving to join her husband in Bahrain. Chairman Bryant expressed his gratitude to Margaret for all the work she had done for the Fort Monroe projects.

Margaret focused on “the next step,” refinements in creation of a new Scenario 4. The most crucial element, Margaret began, as the Section 106 process moves forward and the draft of the programmatic agreement [PA] has been worked out through various meetings and public meetings, public comments as well, is that the information related to the character and treatment of these five zones [PA management zones] sets the “fencepost” for the Scenario 4 plan. Margaret showed how her firm took the Scenario 1 plan and overlaid the management zones from the PA, and detailed how key influences might alter the plan – reducing infill development, especially in Zone D, rethinking parking, Zone D, and revisiting the road network and neighborhood design in Zone B. Chairman Bryant suspended the discussion for a moment in order to offer Kathleen Kilpatrick the opportunity to comment since she had also been working with the PA. Ms. Kilpatrick reminded the audience that the goal was not to overwhelm the character and quality of the site. Chairman Bryant also took the opportunity to remind Authority members that he would need to suspend discussion at 3:00 p.m. to break to the Executive Session. Margaret moved on to explain the next few slides, which illustrated the work her firm had been doing on the parking issues, utilizing the parking analysis referred to in Greg’s [Rutledge] briefing – mapping existing parking, existing parking proposed to be replaced, and existing buildings proposed for reuse. Other elements helping to shape the creation of Scenario 4 are: (1) the Tourism Study, with its quick turn-around completion date of May 31, the results of which would need to be integrated into the reuse plan, (2) the ongoing National Park System Reconnaissance Study, and the economic analysis, which is very crucial as far as the creation of Scenario 4 and the evaluation of the various scenarios.

Mr. Dover stepped in to alert the Authority – that the Authority should not let the tourism consultants, once they are selected under the RFP that Conover spoke of, wait until May 31 to start feeding information to his firm . . . the tourism consultants need to be instructed to furnish information to Dover, Kohl and Partners as they find it. Margaret summarized: There are a lot of things going on right now as they look forward to beginning the drafting of Scenario 4.

3. Board Discussion re: Revising the Draft Reuse Plan

Chairman Bryant summarized; Victor's team would need some very clear direction from the Authority. Chairman Bryant requested Victor and Margaret to ask the Authority specific questions, so the Authority could respond accordingly.

Question 1: Is Scenario 1 the correct starting point?

Chairman Bryant reiterated that Scenario 1 was to be the least intensive, and then turned to Authority members to solicit input. Mr. Thompson expressed concern about the effect of new economic data into the equation. Ms. Hunt offered to respond by stating that all scenarios would "stay on the table," but in terms of design, the consultants would need to focus on one baseline scenario as a footprint, and then based on additional economic analysis, make adjustments as needed. Dr. Bryant said that on the basis of the analysis, Plan 1 is where the Authority should start, and added that with respect to the Zone D, consideration should be given to a corporate-type headquarters area for a municipal or governing authority, with some office buildings. Additionally, Dr. Bryant suggested that a commercial zone be established in the C area, as opposed to having a lot of houses. Chairman Bryant responded by saying he thought they were saying the same thing -- "on the same page"; by starting with Scenario 1, and by factoring the economic analysis that would continue to roll in, some of the decisions that Dr. Bryant pointed out would become more clear. Dr. Jackson shared Chairman Bryant's sentiment about "being on the same page too," adding that by using all three scenarios as a framework and as new ideas come forward, the Authority would be able to decide where the ideas fit. Catherine Gilliam voiced the concern that rather than there being three separate scenarios, she viewed the approaches as being one scenario with three levels of intensity. Ms. Gilliam wanted to be on record as saying she does not think the Authority has fully studied the various scenarios, and believes that some of the other comments [by Board members] reflect that. She still believes the Authority needs a solid historic preservation plan before it has its final plan. Ms. Gilliam requested that between now and mid-June there be as much input from the Historic Preservation Committee as possible, and that there also be recognition that the plan must be subject to modification as historic preservation research and analysis is completed. Chairman Bryant added that the Historic Preservation Committee is working with Bill Kohl now on design standards. Ms. Hunt interjected that the Authority would be approving a concept plan, not something that would be ready to be built the day after approval.

Chairman Bryant queried the Authority: is there consensus that we will start with the least intensive plan, Scenario 1, perhaps build from there in conjunction with the economic analysis, which continues to unfold, and paying great attention to the ongoing work of the Historic Preservation Advisory Committee that is continuing to work with Dover Kohl? Speaking to Mr. Dover, "Do you have clear direction yet on that point?" Response: "I believe we do."

Question 2

Regarding the list of the Fort Monroe five essentials – is everyone in agreement that those essentials still from the framework?

Chairman Bryant responded that he believed it was safe to say that those principles reflected the Governor's priorities as well as the priorities of this group [FMFADA].

Question 3

Is Dover Kohl correct with respect to the limitation on the geographic extent of the intensity and density character of new development -- that the most important limitation is to stick with the historic resource? Chairman Bryant: in other words, we would want to keep buildings a similar of size and nature, character, or allow for bigger, grander skyscrapers? Mr. Thompson said he did not want to necessarily rule out a taller building to better utilize land space. Mr. Harper asserted maintaining the character of the property would cover the bases; as long as buildings meet the

historical regulations along with the character of the post, the issue of building height would be resolved. Ms. Gilliam felt that between the programmatic agreement and design guidelines that the Authority adopts, the issues that Mr. Thompson raised would be addressed, as long as there would be very sensitive and able architects. Dr. Ellis asked Mr. Dover if he could speak of population capacity/density, distribution of the population. Mr. Dover responded that with regard to population density, the Chamberlain, a mid-rise building, is the exception to the skyline -- two to three stories the rule. Dr. Ellis restated his question – his question was more about quality of life . . . when do we know when population capacity is reached? The response from Mr. Dover referenced a level of service analysis, a tool used to ensure facilities would not be overwhelmed.

IV. EXECUTIVE SESSION

Pursuant to Section 2.2-3711.8.1, Code of Virginia, Chairman Bryant asked for a motion that the Board of the Fort Monroe Federal Area Development Authority convene in a closed session for the purpose of discussion and consideration of prospective candidates for employment, and a further motion that certain individuals be present, Nikki Rovner, Deputy Secretary of Natural Resources, and Steve Owens, Senior Counsel of the Office of the Attorney General, who serves as counsel for the Fort Monroe FADA. The motions were moved and seconded, and passed unanimously, and at 3:08 p.m. Chairman Bryant proclaimed that the meeting was in Executive Session.

V. RECONVENE

1. Certify Executive Session.

The Fort Monroe FADA Board Meeting reconvened its open session at 3:29 p.m., at which time Chairman Bryant asked for a roll call vote wherein each member was asked to certify that only those matters lawfully exempt from open meeting requirements under the Freedom of Information Act and identified under the motion for closed meeting were heard and discussed and considered. Those certifying: Secretary Baskerville, Dr. Bryant, Mr. Follmer, Dr. Ellis, Ms. Gilliam, Secretary Gottschalk, Mr. Harper, Dr. Jackson, Dr. Lett, Senator Locke, Mr. Quarstein, Mr. Thompson, Mr. Young, Senator Miller. The motion that the Authority adhered to Section 2.2-3711.8.1 was adopted unanimously.

2. Announcement of New Executive Director

Chairman Bryant asked for a motion naming William A. Armbruster as the executive director of Fort Monroe Federal Area Development Authority. Such a motion was moved by Mr. Thompson and seconded by Secretary Baskerville. The motion carried unanimously. Chairman Bryant proceeded to formally announce Mr. Armbruster as the new executive director of the Fort Monroe Federal Area Development Authority, and offered for the audience an overview of Mr. Armbruster's experience. Chairman Bryant made available the FMFADA press release dated February 13, 2008, which announced Mr. Armbruster's selection, Appendix VI. Chairman Bryant informed the Authority that Mr. Armbruster would start effective February 25.

4. Resumption of Discussion Referenced in Section III.D.3

Question from Dr. Lett to Mr. Dover – do you have a slide showing a footprint of construction within the confines of a trust regulations, looking at the concepts adopted by the Presidio? . . . how would a trust regulations work with Scenario 1? Ms. Kilpatrick clarified on behalf of Mr. Dover the application of trust regulations: the PA really is a regulatory document for the future, it sets the stage for the future and is an agreement for the future. The PA is not inconsistent with the Presidio because the Presidio operates as a continuing proposition under the requirements of Section 106 because the trust is a federal entity. Mr. Owens expanded on scope of a trust; applied standards control the use, development of the properties, and a trust is simply a mechanism for an entity to control, a partnership subject to the same regulations, standards, and limitations of the adopted development standards. The Authority has the ability to adopt all the necessary standards. Dr. Lett requested that Mr. Dover produce a drawing showing existing housing next to new construction. Mr. Dover responded that the request could be accomplished without much difficulty. With that, the Dover Kohl briefing concluded.

III. E. (Reports and Briefings, Continued) Educational Opportunities at Fort Monroe: Collaboration with the Virginia Modeling, Analysis and Simulation Center (VMASC). Robert Harper and Len Lavella.

Mr. Harper introduced Len Lavella as both a citizen of the community and an expert in modeling and simulation. Mr. Lavella, Mr. Harper explained, had approached him at the last Fort Monroe FADA meeting about exploring the concept, as the Authority goes forward with the reuse plan at Fort Monroe, of utilizing modeling and simulation technology to present and interpret military history and offer public educational opportunities.

Mr. Lavella's slide presentation opened with an overview of his vision – a cooperative effort at Fort Monroe designed to incorporate state-of-the-art modeling and simulation technology to bring military history to life, as well as to provide a laboratory for the development of virtual educational applications, including applications customized for personnel entering the field. Mr. Lavella laid out his goals, that the venue was to be a tourism attraction, a self-sustaining operation, part of a Fort Monroe “campus of museums,” and a virtual museum. He continued by elaborating on his main points: why there should be a U.S. national military museum at Fort Monroe, the scope of military conflicts depicted at the museum, the advantage of virtual exhibits, the potential of the museum as an educational technologies center, and the creation of enterprises that would make the museum economically viable.

Questions/Comments

Chairman Bryant asked for some clarification on the statement that the virtual museum would be as self-sustaining as possible. Mr. Lavella responded that some of the items featured in the museum exhibits would generate revenue, and referred to his slide, “Many uses make a viable enterprise,” which listed examples. Mr. Quarstein inquired as to whether the museum would be totally virtual reality-based or whether the museum would partner with some other type of museum. Mr. Lavella responded that at this point his plan was just a concept and a proposal to explore the historical potential of Fort Monroe.

VI. NEW BUSINESS

Chairman Bryant noted that the meeting was beyond its 4:00 p.m. cut-off time; the Chair assumed there was no new business, and proceeded to the public comment segment.

VII. ADDITIONAL PUBLIC COMMENT

Chairman Bryant invited those who had signed up to speak during public comment opportunity to come forward. Appendix I.

VIII. ADJOURNMENT

With the conclusion of the public comment opportunity, Chairman Bryant asked for a motion to adjourn the meeting. Such a motion was moved, seconded, and subsequently carried. The meeting adjourned at 4:17 p.m.

Respectfully submitted:

The Honorable Mamie E. Locke
Secretary/Treasurer

MEL/slc

APPENDICES

APPENDIX I Public Comment:

1. Mr. Lewis Guy, representing the Norfolk Historical Society. Mr. Guy praised the Authority for its leadership and the openness with which it conducted its proceedings, and acknowledged the progress the Authority had made under Ms. Hunt's leadership. Mr. Guy referenced the five essentials, and characterized them as fine foundation. But he differed with respect to the future. Mr. Guy saw Fort Monroe in terms of a 'grand public place,' and felt that the concepts of a new neighborhood did not blend well with a 'grand public place.' He further expressed his disappointment with the emphasis on residential development in the Rutledge and the Dover Kohl presentations. Mr. Guy concluded his comments by expressing hope that the Authority would not feel pressed to make premature decisions before it has all information.
2. John Gergely, a citizen from Newport News. Mr. Gergely expressed his disappointment in the guidelines furnished to Dover Kohl. Mr. Gergely's view was that the Authority already had their density study for residential areas, in three variations. He felt that the emphasis on residential limits the vision. He would prefer to look at other studies as well, ones that look at tourism, commercial enterprises, research and/or medical campuses, and resorts. Mr. Gergely also expressed concern about the parking schemes, that they would not provide driving/parking access to beaches.
3. H. O. Malone, representing Citizens for a Fort Monroe National Park. Mr. Malone began by saying that he had hoped that by time there would be have been more emphasis on looking at who would be in charge at Fort Monroe after 2011. Right now, as he continued, as a result of a request that Fort Monroe FADA made based on the state law that provided for the National Park Service Reconnaissance Study, the Park Service study is underway, presumably to be finished sometime in the spring. The study, he continued, would only answer one question – should there be a special resource study -- yes or no ? Mr. Malone's concluded his remarks by offering his challenge to the Authority: what would happen if the answer is "yes" ? . . . what would be the implication for FADA?

APPENDIX II Executive Director's Report Handouts

APPENDIX III Investment Tax Credits Handout

APPENDIX IV Historic Building Usage Handout

APPENDIX V Revising the Draft Reuse Plan Handout

APPENDIX VI FMFADA Press Release: William A. Armbruster Named Executive Director

APPENDIX VII Educational Opportunities at Fort Monroe Handout