

FORT MONROE
FEDERAL AREA DEVELOPMENT AUTHORITY
January 6, 2009 ~ Meeting Minutes

The Fort Monroe Federal Area Development Authority (FMFADA) Board meeting was held on January 6, 2009, at the Bay Breeze Community Center on Fort Monroe.

I. ADMINISTRATIVE MATTERS

A. Call to Order and Opening Comments. Secretary L. Preston Bryant, Chairman.

Secretary Bryant called the meeting to order at 1:04 p.m.

Roll Call. Chairman Bryant

Present:

David Von Moll for Secretary Richard Brown, Dr. Alvin Bryant, Secretary L. Preston Bryant, Jr., Mr. Marc Follmer for Mr. Robert Crouch, Jr., Delegate Tom Gear, Ms. Catharine Gilliam, Secretary Patrick Gottschalk, Mr. Robert Harper, Delegate Phil Hamilton, Dr. Wayne Lett, Senator Mamie Locke, Senator John Miller, Mr. John Quarstein, Mr. Tommy Thompson.

Executive Director Bill Armbruster, Larry Rouse of the TRADOC Staff Judge Advocate's Office for Garrison Commander Tony Reyes, Hampton City Council Liaison George Wallace were also present.

Absent:

Secretary Viola Baskerville, Dr. Rex Ellis, Dr. Kanata Jackson, Mr. Robert Scott, and Hampton City Council Liaison Joseph Spencer.

B. Approval of Minutes from November 20, 2008, Meeting

MOTION. Chairman Bryant called for any amendments to the November 20, 2008 Board meeting minutes. The motion was made, seconded and passed unanimously. Appendix I.

II. REPORTS & BRIEFINGS

Chairman Bryant invited FMFADA Executive Director Bill Armbruster to come forward and give his report.

Questions/comments: Before Mr. Armbruster began his presentation, Delegate Gear stated that at the previous meeting he had questioned the omission of the first Public Comment section at the FMFADA Board meetings, and asked where the Board stood on that. Secretary Bryant to Delegate Gear: Since the approval of the Reuse Plan the last few meetings no one signed up for the first session, so it was omitted from the agenda in order to run the meeting as efficiently as possible. Delegate Gear responded that he thought the session should be added back in. Secretary Bryant asked the Board if there were any members who wished to reinstate the first public comment session in the Board meetings. There were fourteen Board members present, and of that two Board members expressed wishes to have the public comment session back in the meetings.

A. Executive Director's Report. Bill Armbruster, Executive Director

Update on meetings, and Stimulus Package: Mr. Armbruster referred to the Economic Stimulus package that was emailed previously to the Board. Mr. Armbruster said he and Mayor Ward have met with Senator Elect Warner, Representatives Bobby Scott, Rob Wittman, and Representative Elect Glenn Nye. Mr. Armbruster said with the help of consultants they have put together a priority list of urgent projects at Fort Monroe that should be considered by Congress as part of the upcoming Economic Stimulus Package. Appendix II. He added that the current estimate for infrastructure work is \$96.5 million. He stated a formal letter was also sent to the aforementioned delegation including Senator Webb. Mr. Armbruster gave details on the infrastructure work which was supported by his slides. Mr. Armbruster commented that the \$96.5 million will stimulate \$426 million in private investment in Fort Monroe generating 1130 jobs.

Mr. Armbruster stated we are going to ask the Governor to help develop a strategy to issue Revenue bonds to help offset the initial infrastructure costs that can be paid back by money generated from leases on Fort Monroe. He urged the Board and members of the audience to contact their Congressional members recommending they support the Economic Stimulus Package.

Mr. Armbruster stated that the FMFADA has requested an extension from the Office of Economic Adjustment (OEA) to the existing \$1.4 million grant along with an additional \$500,000 to continue to work on environmental engineering and historic preservation until June 2009. Mr. Armbruster said they are conducting a review of their management strategy, and will submit an RFP to recommend an appropriate management strategy for the FMFADA. He stated Bay Area Economics (BAE) will continue work on the economic analysis, and will help lay ground work for selection of a real estate partner. He added they are working on an Economic Development Conveyance with the Army to facilitate the transfer of title to the Army surplus property at Fort Monroe. He said they hope to have this done by the summer of 2009.

Mr. Armbruster has met with the Hampton Mayor Molly Joseph Ward and Hampton City Manager to assess the municipal services. He said they hope to have a draft Memorandum of Understanding (MOU) for these services for the Board to review by spring of 2009.

Mr. Armbruster said the Governor's budget request recommended state support for \$1.6 million which was approximately half of the \$3.1 million that the FMFADA requested. Mr. Armbruster will be going to Richmond during the session of the General Assembly working to ensure this funding comes through. He asked for the Board's support during the Legislative session.

Mr. Armbruster said that once the FY2010 budget is approved, the FMFADA will prepare a new request for additional funding from OEA. They will present a combined state-federal budget for the Board to approve in June. He added they will ask for more full time positions, but will still rely heavily on consultant's expertise to complete all studies in order fully implement the Reuse Plan.

Mr. Armbruster remarked that the budget language calls for the FMFADA to be moved from the Department of Housing and Community Development (DHCD) in July allowing them to act more independently. They intend to expand the Finance Committee and other supervisory groups to insure fiscal credibility. He thanked DHCD for their cooperation as well as VEDP for their sharing their policies and procedures. He also thanked Secretary Brown and Deputy Secretary Burns for their support in the transition.

Technical Support Manual: Mr. Armbruster stated that the Technical Support Manual is posted on the FMFADA website, and is being updated regularly. He thanked Dover, Kohl & Partners for their outstanding work for the past 2/1/2 years.

Environmental Update: Mr. Armbruster detailed the following events in regards to the Environmental issues at Fort Monroe. On November 25 the Army submitted a work plan for a proposed investigation of munitions and explosives of concern (MEC). On December 9&10 the FMFADA and Virginia Department of Environmental Quality (VDEQ) met with the Army to discuss the preliminary MEC plan. He stated in June they hope to submit comments to the Army on the Environmental Impact Statement (EIS). The FMFADA Environmental team will meet on January 8th with VEDP, Deputy Secretary Nikki Rovner and Steve Owens of the Office of Attorney General to discuss the Army's plans for dealing with MEC.

Financial Report: Mr. Armbruster referred the Board to the financial report included in their packets. Appendix III. He said they have requested \$900,000 of reimbursements from OEA. He stated the audit firm of Robinson, Farmer and Cox completed the audit. DHCD reported no irregularities of issues. Copies of the audit will be given to the Board after they are received this week.

Public Relations: Mr. Armbruster reminded the Board of the report on public relations they were sent as a read ahead. PR efforts have resulted in an average of 17,000 hits per month on the website, and 50 local and national stories and broadcasts.

The Way Ahead: Mr Armbruster described his last three slides which were a general timeline of upcoming FMFADA milestones between January and June.

B. Army Update. Mr. Larry Rouse, TRADOC Staff Judge Advocates' Office, Representing the Garrison Commander, Fort Monroe. Mr. Rouse stated the EIS is on schedule and that the Programmatic Agreement (PA) was returned to the Installation for signature and distribution by Colonel Reyes. He stated there were changes made, that are causing further discussion by the signatory parties and legal counsel is addressing the revisions.

Questions/comments: Mr. Armbruster stated that he left an important item out of his presentation. As a result of Terry Moore of the National Park Service's (NPS) presentation at last month's Board meeting the Historic Preservation Advisory Group is researching possible options with the NPS. He said there will be a working committee composed of both Advisory Group members and members of FMFADA Board. He said it is very important that we work with the Park Service to establish a relationship between the FMFADA and the NPS.

C. Fiscal/Economic Analysis Update. David Shiver, Bay Area Economics. Mr. Shiver reported on the following: a summary of discussions between the FMFADA, the City of Hampton and BAE; infrastructure costs update and economic impact estimate. Appendix IV. He concluded with a preview of upcoming tasks and goals for the FMFADA.

Questions/comments. Chairman Bryant to David Shiver: What is the construction labor market like in this area, and will there be a sufficient skilled work force available to complete all the projects at Fort Monroe? Mr. Quarstein added that based on past history there will be a skilled labor force to pull from. Delegate Hamilton said based on the economic outlook, there will not be a shortage of a skilled workforce.

Delegate Hamilton to Mr. Shiver: Why was the marina not mentioned in the Parks and Recreation feedback from the City? Mr. Shiver said they envisioned the FMFADA operating the marina, not Hampton Parks and Recreation, and that operation of the marina would most likely be a privatized contract.

Mr. Shiver concluded by asking the Board what they would like to see come out of a developer's solicitation process. Mr. Quarstein to Mr. Shiver: I would like more information on the economic impact of heritage tourism and beach tourism. The developer should be required to have the ability to interface with archeology, NEPA requirements, compatibility issues, etc.

Mr. Wallace to Mr. Shiver: I see the regional references in your information, but would also like to see specific reference to the City of Hampton as well as the region. Mr. Shiver to Mr. Wallace: I will take that feedback and cull out the impacts on the City of Hampton.

Mr. Thompson to Mr. Shiver: Mr. Thompson expressed concerns whether the streets on Fort Monroe would meet the Virginia Department of Transportation's (VDOT) standards. He stated we need to start negotiating with VDOT to exempt the Fort Monroe streets from their standards. Mr. Shiver referred this comment to Eddie Marschieder of Kimley-Horn: Our scope of service through 2009 will be to help facilitate that process, and getting VDOT to understand what the parameters are, and what potential inventions might exist for the lack of public rights of way, and to understand the historic components with regards to possible exemption status. Kathleen Kilpatrick, Director of Historic Resources stated that some of the roads on Fort Monroe are significant landscape features themselves. Mr. Thompson stated that VDOT has a new requirement that all streets must connect to another street, and that Fort Monroe has many potential violations of that nature. Mr. Thompson also expressed concerns that all the water that comes into Fort Monroe comes from one source, and makes it important that the water should be connected at the Buckroe end. Mr. Thompson said he hoped that any open space operated by Parks and Rec would also be maintained by them. Mr. Shiver said that cost was addressed in the financial model as a cost of maintenance. Mr. Thompson also added that the labor force required for projects at Fort Monroe would mostly come from the region, but is readily available.

Secretary Bryant to Mr. Shiver: In a previous presentation BAE detailed projected costs to the City of Hampton begin \$4.6 M for public services, law enforcement, etc. They also depicted a projected revenue over time. Has BAE fine tuned any of the numbers, how are the discussions with the City going and how accurate were the original numbers? When does this process become finalized? Mr. Shiver replied: As they have had discussions with City department heads, certain areas of estimated costs have been on the mark. Other areas as far as services have gone up. He added they would have more information and conclusions over the period of the next six months. Secretary Bryant added that the next six months will also identify where some of the gaps are.

Mr. Quarstein to Mr. Shiver: Are you also going to include the costs to maintain the historic moat, the fort itself and the batteries...Mr. Shiver replied that BAE has estimated the price of maintaining the buildings that the FMFADA will retain. Mr. Quarstein replied that he thinks it is very important that BAE keeps the Board aware of those types of costs.

Chairman Bryant to Mr. Shiver: Are the economic model numbers you are using based on today's weak economy or based on a "normal" economy? Mr. Shiver replied that they cannot plan around the current economy. They use historical data, but keep in mind that Fort Monroe is a very special location. He said that will require taking local brokers to inventory the buildings to get a sense of how Fort Monroe real estate is positioned.

Mr. Harper to Mr. Shiver: In regards to historic tourism, how do you estimate those costs with all the variables involved? Mr. Shiver to Mr. Harper: If Fort Monroe has its own brand and image that will enhance the value of historic tourism. With respect to values you can capture that as far as economic benefits in terms of jobs created, then you take those numbers and translate that into jobs. Secretary Bryant to Mr. Shiver: Is it the same with beach tourism? Mr. Shiver replied yes, there is a certain level of visitation that is seen in our models. Mr. Quarstein: Are those numbers going to vary based on resources you make available to support the beaches? Mr. Shiver replied: Yes, the amenities you find directly affect the number of visitors you get.

Dr. Bryant to Mr. Shiver: Does the City of Hampton's Fire Equipment fit through the gates to the fort? Mr Shiver replied: Yes. The reference to additional costs for Fire would be to add additional staff and to update equipment like fire hydrants.

D. Legal Issues Update. Steve Owens, OAG. Mr. Owens stated there were three items he had updates on.

501C3 Foundation: The first item was finding a firm to serve as counsel in the creation of a 501 3c foundation. Mr. Owens has interviewed several firms and checked with colleagues at the OAG's office who specialized in tax and charitable work. One of the firms that was highly recommended agreed to do the work pro bono; so Mr. Owens will pursue that once the Attorney General's office approve outside counsel according to the FMFADA By Laws. He stated at the next meeting he will bring the recommendation to the Board for the firm that will serve as counsel for the 501c3 foundation.

Disputed Title: Steve Owens said there were several references to this in the Economic Development Conveyance (EDC) already in the BAE presentation and in Mr. Armbruster's presentation. He stated that discussions have started to resolve ownership of the two disputed parcels; one being the marina and the other one being an area near the North Gate. Mr. Owens stated that he is trying to set up a situation where those two areas will also revert to the Commonwealth. He stated that there has been a breakthrough recently in the discussions in which they have approached the Army about doing an Economic Development Conveyance for all the properties that were not going to revert to the Commonwealth. The EDC is good for the Army because they will get some value for the properties, but also recognizes the need for job creation and that the Reuse plan is a coordinated and careful approach toward the reuse and redevelopment of Fort Monroe. Mr. Owens stated that he and Mr. Armbruster met with the incoming Secretary of the Army in December and that he is very favorably inclined to this proposal. Mr. Owens said

now it is just a matter of putting the proposal together, so it can be approved and recommended to the Deputy Secretary for Installations and Environment.

Programmatic Agreement (PA): Mr. Owens stated when the PA was submitted to the Army in DC for approval; changes were made to the document. It was then sent as a signed document without consultation to the signatory parties. Several discussions have been held and a conference call is scheduled to try to work through the issues that we have, and to try to come to a resolution on the issues. Mr. Owens stated as it is now he could not recommend it for signature to any of his three clients: the State Historic Preservation Officer (SHPO), the FMFADA or the Governor.

E. Office of Economic Adjustment Update. Jason Sweat, OEA Project Manager. Mr. Sweat stated that the OEA is committed to working with the FMFADA and assessing their needs in the future and beyond 2011. He stated there are some issues that will have to be resolved like the property disposition issues. He said the OEA works with state and local communities that are impacted by BRAC actions, and helps bridge economic gaps. He said the OEA is now looking at the grant extension that will help get the FMFADA through to July, and that the FMFADA staff has done a wonderful job in working with OEA on that. Mr. Sweat stated that there are issues that are not being completed, i.e., the consultant contracts that ended December 31. He said the OEA wants to get the FMFADA in a position that they can conclude those studies, and will have an answer on the extension very soon.

F. Historic Preservation Advisory Group Report. Kathleen Kilpatrick, Chairperson. Ms. Kilpatrick updated on what the group has done since their last meeting in December. Ms. Kilpatrick said the group's major focus has been on the design standards: the overall organization, flow, and details on historic preservation treatment. She stated that this document will be "the bible" for managing property in the future. She said they also wanted the narrative to reflect that the document was a work in progress, and that a solid draft is due within 12 months of execution of the PA. They not only want the document to support preservation but to also be user friendly and to integrate condition assessment of the buildings. She stated that there is a system in place used by the NPS for assessing buildings' conditions, and recommended that system be used. Ms. Kilpatrick stated that Bill Brookover of National Historic Landmark Program was invited to the December meeting and will continue to serve as a resource to the group.

Ms. Kilpatrick stated the group has also been working on the Interpretive Master Plan (IMP), and on the Request for Proposal (RFP). She said before finalizing that document the group wanted to focus on the issue of sustainability. She said her group is concerned with the trends in heritage tourism and the health of historic sites and museums in the country. Based on these concerns Jim Vaughan, Vice President, Stewardship of Historic Sites of the National Trust for Historic Preservation presented a workshop at their December meeting. Ms. Kilpatrick shared a handout with the Board of the Kykuit Conference Findings. Appendix V. She stated the bottom line is that those museums and historic sites that find a sustainable and viable future for themselves are those that reach out to the public, and serve a purpose within their community. She stated that tourism is the "gravy" while local support is the "bread and butter." She said they talked at length about attributes of successful organizations: entrepreneurship, innovation, and diversity in the program offerings. She agreed with Mr. Quarstein in that there are so many resources (outdoor recreational, ecological, etc.) at Fort Monroe that we have the opportunity to have it all and share it all, and should not focus only on heritage based opportunities. Ms. Kilpatrick said they look forward to working with the FMFADA staff to insure the IMP captures these ideas. She said they discussed at length the Park service's role, and are anxious to take studying that issue for the FMFADA.

G. The Trust for Public Land. Peter Harnik, Director, TPL Center for City Park Excellence. Mr. Harnik began his presentation by saying that based on what he had already heard at the meeting that he was overwhelmed by the complexity of converting the Fort to its next use. Mr. Harnik then gave his presentation on what was the value and need of parks in an area. Appendix VI. Mr. Harnik stated based on the TPL's findings the whole area is short on parkland, and pointed the Board to a chart of parkland based on the percentage of city size. He stated that according to this chart this area's amount of parkland is below average in terms of population density.

Questions/comments. Delegate Gear to Peter Harnik: When you say the City of Hampton, does that include Fort Monroe, and when you say park land does that include areas designated as a park? What if the area is not designated as a park but is used as a park? Mr. Harnik replied no neither of those were included in their study.

Mr. Quarstein to Mr. Harnik: Areas of Hampton Roads have been left out of the study. When we think of Hampton Roads we actually think of Williamsburg, James City County, York County, so this is not an accurate view of what Hampton Roads is. Mr. Quarstein stated that those areas need to be included in the study. He added that Newport News Park is not included, and that we need to be accurate in what is presented. Mr. Quarstein stated that the Board cannot make an accurate judgment, unless they have an accurate portrayal. Mr. Harnik replied that he thinks the report is accurate and he would be happy to talk to Mr. Quarstein in more detail.

Dr. Lett to Mr. Harnik: Newport News City Council would be surprised to see that the Newport News City Park was not included in this study, and that needs to be included.

Mr. Harnik continued with his presentation comparing Fort Monroe to the Presidio, and reminded the group of what the Presidio has done for San Francisco. He concluded by stating that Fort Monroe could not only be a "Presidio East," but also a magnet for this part of the country.

III. PUBLIC COMMENT

Chairman Bryant invited public comment. Appendix VII.

IV. OLD BUSINESS

Secretary Bryant announced that FMFADA Board member Dr. Rex Ellis has resigned because he taken a position with the Smithsonian. He said Dr. Ellis will be missed; he was a valuable member especially in respect to historic tourism.

Bylaws Committee. Mr. Thompson stated that the Bylaws committee consisted of himself as chair, Secretary Baskerville, Delegate Hamilton, and Secretary Gottschalk. He stated they were advised by both Steve Owens of OAG and Vanessa Valdejuli, the City of Hampton's Deputy City Attorney. He said in particular they wanted the Bylaws to address three issues: the ability for the FMFADA Board in accordance with the Freedom of Information act to hold electronic meetings, to establish a nominating committee, and to maintain continuity on the leadership of the Board. Mr. Thompson stated that the committee has met and has approved the proposed changes, and directed the Board members to the changes specifically detailed in their Board packets. Appendix VIII. He added that with the previous Bylaws the Board had to reelect officers in January, but the annual meeting was in May. He added because of this, the members will have to be reelected in May, and then would be elected annually in May into the future.

MOTION. Mr. Thompson concluded by motioning the Bylaws changes be approved, which was seconded by Delegate Hamilton. Chairman Bryant asked the Board members if they had any questions for the Bylaws Committee. With no questions, Chairman Bryant stated that the motion to adopt the amendments to the Bylaws required a supermajority vote. Secretary Bryant called for a vote to adopt the Bylaws changes with a roll call vote. The result of the vote was:

Ayes: A. Bryant, P. Bryant, Follmer, Gear, Gilliam, Gottschalk, Harper, Hamilton, Lett, Locke, Miller, Quarstein, Thompson and Von Moll.

Nays: none.

Absent: Baskerville, Jackson and Scott.

Abstain: none.

Nominating Committee. Nominating Committee Chair Secretary Gottschalk submitted his report Appendix IX, stating that the Nominating Committee recommended the following slate of officers:

Chairman: Secretary Bryant
Vice Chair: Mr. Thompson
Secretary: Senator Locke
Treasurer: Mr. Scott

He noted that they have separated the offices of Secretary and Treasurer, as allowed in the Bylaws. Secretary Gottschalk stated that the Nominating Committee which included himself along with Delegate Hamilton and Dr. Jackson decided to separate these offices since the FMFADA will be moving into a position as an independent operating political subdivision. This adds a need for establishing these positions. Secretary Gottschalk restated the need to reelect these officers in May, as Mr. Thompson had stated previously.

MOTION. Secretary Gottschalk concluded his report with a motion to approve the above slate of officers; seconded by Delegate Hamilton. Secretary Bryant asked if there were any other nominations from the Board. Since there were none, Chairman Bryant called for a roll call vote resulting in the following vote:

Ayes: A. Bryant, P. Bryant, Follmer, Gear, Gilliam, Gottschalk, Harper, Hamilton, Lett, Locke, Miller, Quarstein, Thompson and Von Moll.

Nays: none.

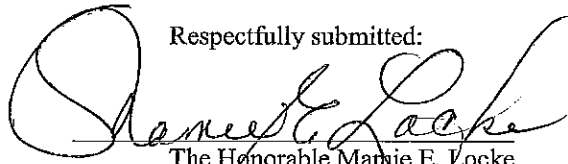
Absent: Baskerville, Jackson and Scott.

Abstain: none.

VII. ADJOURNMENT

Secretary Bryant asked the Board if there was any new business. Hearing none, he thanked the Board for a very productive first meeting of 2009. Chairman Bryant asked for a motion to adjourn the meeting, which was moved, seconded and carried at 3:17 p.m.

Respectfully submitted:



The Honorable Mammie E. Locke
Secretary/Treasurer

MEL/jfb

APPENDICES

APPENDIX I November 20, 2008 Board Minutes

APPENDIX II Executive Director's Report

APPENDIX III Progress Report and Work Plan, BAE.

APPENDIX IV Kykuit Conference Findings

APPENDIX V The Trust for Public Land

APPENDIX VI Public Comment:

Christine Gergely representing: United Daughters of the Confederacy (UDOC). Ms. Gergely described a visit to the Sanderling Resort. She circulated a Wedding Guide to the Outerbanks area, as an example to the Board of a potential marketing strategy for Fort Monroe.

Mark Perreault representing: Citizens for a Fort Monroe National Park. Mr. Perreault stated that the Citizens for a Fort Monroe National Park arranged the Trust for Public Land's study. He added the reason Peter Harnik's Trust for Public Land study included only five of the core cities of Hampton Roads was based on cost. It was also based on a belief that the core Hampton Roads cities and those on the waterfront, are the ones in need of additional public space. He stated that many other open areas might have been included, i.e., the Dismal Swamp National Wildlife Refuge, the Bay Back Wildlife Refuge; but that people want to be in areas that are accessible, safe, with amenities, and many times near the water. He concluded by demonstrating how Fort Monroe fits into those criteria. He said Fort Monroe is so multifaceted that we have the ability to create something that is unique and could be done in a magnificent way.

Solveigh Corley: representing Boy Scout Troop 31 of Fort Monroe. Ms. Corley wanted it to go on public record that Boy Scout Troop 31 would like to retain their residence at Fort Monroe after the transition to the FMFADA. Ms. Corley stated that Troop 31 is one of the oldest Boy Scout Troops in both Virginia and America. They meet inside the Casemate next to the TRADOC Band, and would like to keep that location. She also added that they are looking for sponsorship.

APPENDIX VII Bylaws Committee Report

APPENDIX VIII Nominating Committee Report