



Questions from Fort Hancock Open House

The following questions were asked by potential leaseholders at the Fort Hancock Open House on November 14, 2013. **NOTE:** Elements and conditions you feel are necessary to the viability of your proposal should be identified in the materials you submit.

Requests For Expressions of Interest (RFEI):

Q. What is a Request for Expressions of Interest (RFEI)?

A. An RFEI is the first stage for the federal government to seek responses from those who want to lease government property. In this case, the property includes 35 historic buildings at Fort Hancock National Historic Landmark District, part of Gateway National Recreation Area's Sandy Hook Unit.

Q. What are the objectives of the RFEI?

A. The objective is to preserve historic buildings, as well as the historic landscape at Fort Hancock, by encouraging parties to lease buildings for adaptive reuse. The RFEI will gauge the interest of potential investors and possible uses for Fort Hancock.

Q. What is "adaptive reuse"?

A. Adaptive reuse is fixing up historic buildings for modern uses. In this case, the National Park Service seeks other parties and organizations to renovate and repurpose these magnificent buildings.

Q. What is the Fort Hancock 21st Century Advisory Committee? What is their role?

A. This federally appointed committee advises the National Park Service about the future of Fort Hancock. Experts in education, business, the environment, real estate and other fields serve as volunteers on this committee along with several local elected officials. After consulting with the Committee, the National Park Service (NPS) will make the final decisions on proposals.

Q. Who will review the proposals? How will they be evaluated?

A. Submissions will be reviewed by the Fort Hancock 21st Century Advisory Committee and the NPS at a meeting on January 10, which will be open to the public. Your submission will become part of the public record and may be seen by anyone.

Q. Is the NPS looking for business entities only? Are groups of family members allowed to undertake rehabilitation?

A. Any party, including groups of family members, may submit a proposal as long as proposed uses are both legal and consistent with NPS values.

Q. Will NPS limit the types of businesses to avoid duplication or oversupply of business?

A. The purpose of the RFEI is to determine the types of use proposed and manage the types and quantity of proposed uses.

Q. Will NPS give special preference to responses from non-profit organizations?

A. Your tax status is not a factor in the selection of proposals.

Q. Can I submit more than one proposal or proposed use?

A. Yes.

Q. Will the NPS provide feedback on RFEI submissions?

A. Yes. Feedback is intended to help guide future submissions should the NPS issue a Request for Proposals (RFP).

Q. Do I have to respond to the RFEI in order to respond to subsequent opportunities?

A. No, but we would prefer that you do. A lack of responses may delay the process or limit future opportunities. This will give the National Park Service, along with the Fort Hancock 21st Century Advisory Committee, more information before proceeding to the RFP stage.

Q. Will there be a preference given to proposals that offer to rehabilitate buildings to their prior use (i.e. gym as a gym, bakery as a bakery)?

A. Not necessarily. At this point, we have not yet determined how we will weight evaluation criteria. This issue will be addressed in more detail as the NPS and the Committee review proposals and will be identified in any subsequent RFP.

Q. Can people get in to see buildings that were not part of an Open House?

A. Yes – please email forthancock21stcentury@yahoo.com.

Q. If my proposal is selected, is a security deposit required? When, and for how much?

A. This solicitation will not result in the award of a lease. That will come later, after RFPs (Requests for Proposals) are considered.

Q. Will I have to pay property taxes if I use or occupy a Fort Hancock facility?

A. Yes, depending on what the municipality charges for your leasehold interest (or any portion thereof).

Q. Do I need a liquor license if we plan to serve alcohol?

A. Not from the local municipality but the requirements of the governing State Board must be satisfied.

Q. Is the Theater (*Building #67 - not included in the list of 35 structures identified in the RFEI*) available?

A. Yes, it is. At this stage, those with interest in other buildings at Fort Hancock may make proposals for them. They will be considered on a case-by-case basis. Buildings identified in the RFEI are considered priorities.

Q. What if I have feedback and/or criticism of the RFEI process itself?

A. This process is open and transparent; your comments are welcome.

Lease Terms and Conditions:

Q. How much rent will I pay under a lease?

A. Fair Market Value Rent (FMVR) is the minimum rent required pursuant to [36 CFR 18](#). FMVR is determined on an individual building basis. It is expected that the FMVR will be offset by the level of investment, which will likely result in a nominal rental value.

Q. Are there other charges or costs associated with the lease?

A. Yes. Common charges for trash removal, snow removal, landscaping/mowing, infrastructure costs, infrastructure improvement costs as identified in [Director's Order #35B](#), Fire, EMS, Health & Safety, Law Enforcement will be apportioned.

Q. How long is a lease term?

A. Up to sixty (60) years, which is the maximum amount allowed by law. ([36CFR 18](#))

Q. What financial documents are necessary to demonstrate my financial capabilities?

A. Under the RFEI process, you may submit information you feel is adequate for NPS to make a decision. Please be sure to mark any financial data that you do not want made public as CONFIDENTIAL. In the event of any future RFP, the requirements will be more specific. You may be required to show the availability of lines of credit or provide evidence of a financial commitment from a lending institution or entity.

Q. Can I sublet, assign, or transfer my lease?

A. Lease terms and conditions may allow for any of the above. Please be sure to include requests or considerations for same in any proposal you submit.

Q. Is there any equity accrual returned to a renovator when they move out?

A. No. All improvements become the property of the United States.

Q. Is there a minimum renovation time frame required under the lease?

A. No. A construction project schedule will be identified as the lease is developed.

Q. What happens if I am awarded a lease and subsequently cease renovations and stop work?

A. You will be considered in default of your lease terms and conditions. Those entities awarded a Lease under any future Request for Proposal (RFP) will be required to demonstrate capability to meet proposed lease terms, financial and otherwise, prior to issuance of the lease. The NPS may require the successful applicant to post a bond ensuring project completion.

Park Access:

Q. Do you have to pay the park entry fee every time you come to the park if you are authorized to occupy a facility at Fort Hancock? Is there a special line for facility occupants?

A. The park does not have an **entry** fee, but it does charge a **parking** fee for parking at beach parking lots during the summer. Leaseholders will be given a sticker or tag identifying you as a Fort Hancock leaseholder. This will not apply to beach parking. There are no special or express entry lines.

Q. What happens after the park closes?

A. You will be authorized to enter the park in the time, place, and manner identified in your lease.

Q. What happens if there is another government shutdown?

A. During the last government shut-down, Lessees were allowed to continue occupying and using leased premises. Use of the rest of the park was prohibited.

Q. Can I have my own golf cart for transportation in the park?

A. Certain classes of vehicles registered in the State of New Jersey may be used for in park transportation. Golf carts are a valid form of in-park transportation if they are registered with the Division of Motor Vehicles. Trailers are not a valid form of in-park transportation.

Q. What kind of landscaping is allowed? What about gardening?

A. Landscaping must be consistent with historical period.

Historic Tax Credits:

Q. How do I find out if my project is eligible for Historic Tax Credits?

A. A 20% income tax credit is available for the rehabilitation of historic, income-producing buildings that are determined by the Secretary of the Interior, through the National Park Service, to be “certified historic structures.” The Internal Revenue Service defines qualified rehabilitation expenses on which the credit may be taken. Owner-occupied residential properties do not qualify for the federal rehabilitation tax credit. More information is available here: <http://www.nps.gov/tps/tax-incentives.htm>

Q. For how many years do the 20% tax credits apply?

A. Pertinent information is available here: <http://www.nps.gov/tps/tax-incentives.htm>

Insurance:

Q. Will the NPS be insuring the property I occupy?

A. No. You will be required to insure the facilities you occupy in accordance with lease terms, as negotiated.

Q. What types of insurance are required?

A. Insurance typically required includes property, liability, and flood insurance. The activity you undertake may require additional types of insurance (i.e., liquor liability).

Types of Use:

Q. What type of use is allowed on government land and facilities? To what extent are commercial operations allowed?

A. Use of park land and facilities may be authorized if the proposed use does not present an unacceptable impact to park resources and the use is not incompatible with park values and purposes.

Q. Will my hours of operation be limited to park hours?

A. Not necessarily.

Q. Will the Committee and NPS consider a small craft brewery compliant with state and local laws including a full service restaurant?

A. Yes.

Condition of Facilities/Other Existing Conditions:

Q. What was the flooding like during Sandy?

A. Though many of the Fort Hancock buildings took on water in the basements, they remained sound. [See this PowerPoint](#) on Hurricane Sandy's impact on Sandy Hook from January 2013.

Q. Are there any year-round residents on Sandy Hook?

A. Currently, no one lives on Sandy Hook.

Q. Are the electrical systems knob and tube?

A. In some buildings, yes, especially buildings which have not been in use during the last thirty years. Other buildings have been updated.

Q. Are the fireplaces in working order?

A. No. Fireplaces must be relined and new flues must be installed. They can be rehabilitated for use.

Q. Are there any elevators in use at Fort Hancock?

A. Elevators were considered for use in the past and may again be considered for use if utilized in a manner consistent with Secretary's Standards.

Q. What about ADA compliance?

A. Some of the Fort Hancock buildings are ADA compliant. See below for additional answers on this topic.

Utilities, Infrastructure and Schools:

Q. What utilities are available at Fort Hancock?

A. NPS provides **water and sewer** service which is metered per gallon. JCP&L provides **electricity** to Fort Hancock and there are leads to all facilities. **Telephone service** is provided through copper wiring though NPS is working on upgrades to fiber optic.

Q. Are in-ground telecommunications services (phone and high speed internet) available at Sandy Hook?

A. Not at this time.

Q. Does wiring have to be up to code?

A. Yes, as do all components of any electrical, mechanical, and HVAC system.

Q. What school district are you in?

A. Middletown.

Construction Procedures:

Q. What is the permit process for rehabilitation of buildings?

A. NPS issues NTPs (Notices to Proceed). Prior to issuance of any NTP, a rehabilitation management plan is developed under the guidance of NPS staff. The plan will identify the types of plans or drawings required, the applicable schedules and timelines, and other documentation required in order to proceed with a project.

Q. Do we have to contact local municipalities for permit related approvals?

A. No. NPS will manage the project and defer to State and local codes unless there are more specific applicable Federal requirements.

Q. Can I hire a private inspector to assess the condition of the building?

A. Absolutely, but at your own cost and expense.

Q. Do I have to hire government contractors?

A. No.

Q. Does work need to be done by union labor?

A. The park service does not dictate who you should hire as a contractor. Our objective is to meet applicable rehabilitation standards as well as health and safety codes.

Q. Can some of the work be done by capable non-professionals or must the work be done by professional contractors?

A. Work may be undertaken by parties able to satisfy applicable codes, standards, and requirements.

Q. What about construction of new buildings? What about demolition of buildings? Generally, can building footprints be changed?

A. Additions to certain structures may be considered as can demolition of certain structures. Modifications to a buildings footprint must be approved by NPS, and where applicable, SHPO concurrence is required.

Costs Associated With Any Project:

Q. How do you determine the cost of deferred maintenance?

A. Our best guesstimate can be found [here](#).

Q. How accurate is the cost estimate information provided in the RFEI?

A. The costs identified in the Building list found on website are understated and should not be relied upon in determining related costs. *We recommend that you conduct your own independent analysis.* A more detailed cost analysis was undertaken by the FACA Committee Real Property Costing Working Group. That analysis can be found [here](#).

Q. What are my costs after I renovate the building?

A. Common area costs/charges, as identified above and the Fair Market Value Rent (FMVR) identified in the corresponding lease.

Q. Will the NPS set the minimum lease rate?

A. No. The minimum is set by law, at Fair Market Value Rent (FMVR).

Q. Has there been a market rate rent study?

A. Fair Market Value Rent is determined on an individual building basis. It is expected that the FMVR will be offset by the level of investment. This does not preclude payment of common area costs or taxes as otherwise required.

Hazards and Abatement:

Q. What about lead paint and asbestos?

A. You should expect to undertake lead paint and asbestos abatement in most facilities.

Q. Do you have environmental reports (such as asbestos and lead) on each building?

A. Applicants should assume there are lead and asbestos abatement costs associated with the buildings. Applicants are free to assess this matter by way of an independent inspection undertaken at your cost and expense.

ADA Compliance:

Q. Are the Fort Hancock Buildings ADA Compliant?

A. Some of the buildings are ADA Compliant.

Q. What determines whether a building is required to be made ADA Compliant?

A. Generally, a building open the public must be ADA compliant. However, there are many ways of effectuating ADA compliance and they need not always be building specific if there is a larger plan for the historic district or a group of buildings.

Q. Who is responsible for making a building ADA Compliant?

A. The successful applicant awarded a lease under a subsequent RFP or RFQ.