

DECEMBER 19, 2024

2024 ANNUAL REPORT TO THE MEMBERSHIP

Dear Members:

Thank you for being a Member of LBT10 and your continuing support in 2024!

As 2024 draws to a close, we would like to take the opportunity to summarize what we have accomplished or devoted effort to on your behalf during the year, and some of what we plan for 2025.

- 1. Our Actions on Your Priorities from the January 2024 Survey:
 - Offshore Wind Farm Development This item rose from second priority in 2023 to first in 2024 in our Membership survey. The significant developments on this matter during 2024 were the following.

Township Resolution Opposing the Wind Farm Projects: In July the Township adopted a resolution opposing the "Industrial Offshore Wind Project." The full text of this resolution can be viewed on our website (re: Offshore Wind Farm Information/Resolution of Long Beach Township Adopted on July 1, 2024, Opposing the Wind Farm Projects) at:

https://lbt10.org/useful-links/

LBT10 as Co-Plaintiff in the Federal Lawsuit Against BOEM and NOAA: In July, LBT10 joined as a co-plaintiff in the Federal lawsuit against the Bureau of Ocean Energy Management ("BOEM") and the National Oceanic and Atmospheric Administration ("NOAA") challenging the content and process by which the environmental impact statement for the Atlantic Shores 1 and 2 ("AS 1&2") Projects was prepared, reviewed and approved. SaveLBI, which is managing the lawsuit, asked LBT10 (and other parties) to join the lawsuit on behalf of its members in an effort to support the legal "standing" requirement for the lawsuit.

LBT10 Co-Signing a Letter to the NJ BPU Re: Atlantic Shores - Fourth Solicitation: In July, LBT10 co-signed a letter to the NJ Board of Public Utilities' ("BPU") regarding the Atlantic Shores - Fourth Offshore Wind Solicitation. This letter was in response to Atlantic Shores submitting new bids to the BPU for the

AS 1&2 Projects. These new bids seek to receive much higher subsidized power rates for these projects then awarded by the BPU in the original solicitations in order to compensate Atlantic Shores for the increased expected costs of these projects. If successful, these new bids would result in wind turbines lining the horizon from Atlantic City to Barnegat Light, with rates of \$180/mwh or more as compared to the current market rate of \$50/mwh. We understand that the BPU is desperate to save these "mature" projects and would most likely approve whatever pricing is proposed by Atlantic Shores. Without the higher rates these projects are not economically viable and could not proceed.

The letter, and the attached economic analysis report, lays out the case against acceptance of the new bids for these projects as being in violation of relevant NJ law and administrative rules and the resulting adverse economic and customer cost impact.

The coalition members that also signed this letter includes more than 50 NJ municipalities and citizen groups. The letter has received wide distribution to legislators and other important stakeholders. Also, the letter is intended to serve as a "shot across the bow" for the BPU and Atlantic Shores that the coalition may seek legal action if the new bids are accepted.

Further, along with the Joint Council of Taxpayers Associations of LBI ("JCTA"), we continued to provide our Members with considerable material on this subject for their consideration. Please refer to our website (re: Offshore Wind Farm Information) at:

https://lbt10.org/useful-links/

• LBI Resilience (including "Chronic Flooding") — The initial Resilient LBI ("RLBI") Project was completed with the issuance of a "working" report in October 2022. As you may know, the purpose of this project is to address LBI's short-term and long-term resilience in response to the risks and challenges presented by increasing development and climate change. During 2024, the RLBI Project has entered into a second phase focused on the six LBI municipalities analyzing the comprehensive description of issues and recommended actions contained in the RLBI report, determining priorities for action, considering resource requirements and funding availability. This phase also includes coordination with respect to both the projects identified in the RLBI report and other projects and efforts the six LBI municipalities have been planning or implementing. As previously mentioned to you, addressing this critical matter will require significant and sustained commitments and efforts by all levels of government and the LBI community well into the future. As we have done over the past three years, we plan to maintain our active role in this effort as a member of the RLBI Advisory Committee.

Also, we should mention that the part of the Route 72 Project in Ship Bottom is progressing, though not without some delays and inconvenience, toward completion and delivering a solution to the chronic flooding at this critical location.

This flood intervention effort is the most significant undertaken on LBI in many years. Present plans are for this project to be completed by the end of 2025.

Ocean County Board of Commissioners' Meetings - At the July Township Commissioners' meeting we learned that the Township is financing \$3.8 million to install flood pumps in the most critical areas within the Township, and that after completion Ocean County will reimburse the cost to the Township. We will continue to monitor this project and question if additional pumps are needed in other areas.

This project prompted a discussion at the July JCTA meeting regarding the continuing and growing problem of flooding, including the periodic closures of our Boulevard, which is Ocean County Road 607. This led to the suggestion that the JCTA could better serve the members of all the LBI taxpayer associations if it learned more about the role of Ocean County in providing the many services needed on LBI, particularly as related to the Boulevard. To this end, it was agreed that JCTA representatives would begin attending the monthly meetings of the Ocean County Board of Commissioners ("OCC") on a regular basis. It should be noted that about 48% of our property tax assessment for 2024/2025 goes to funding of Ocean County functions.

Accordingly, beginning in July a group of JCTA representatives attended the OCC meeting in Toms River. At the formal meeting, a JCTA representative took the podium to address two critical matters for LBI for which the OCC has substantial responsibility: (1) the condition and maintenance of the LBI Boulevard; and (2) the chronic flooding experienced at various locations on LBI and most notably on the Boulevard. We chose these two matters because they are critical, and they present clear examples to demonstrate to the OCC that LBI has needs that have not been adequately met in the past. After the formal meeting, we had the opportunity for a worthwhile discussion with representatives of the Ocean County Engineering Department, regarding both the flooding and the maintenance matters. As a result, it was agreed that there would be follow-up on these matters between the JCTA representatives and the Ocean County Engineering Department.

NJPACT REAL Proposed Regulations - In a related resilience matter, in August, the NJ Department of Environmental Protection ("DEP") issued proposed regulations pursuant to its NJ Protect Against Climate Threats ("PACT") Resilient Environments and Landscapes ("REAL") strategic plans. In summary, these proposed regulations are the purported result of, and informed by, years of climate science study by the DEP supported by many other organizations focused on the potential risks and consequences of sea and river water level rise and extreme weather events attributable to climate change. In essence, these regulations are intended to create a more climate change resilient environment in the vulnerable areas of NJ by proposing new standards that:

- Ensure that buildings and infrastructure are built for today's conditions and the structure's lifetime.
- Apply only to new development, redevelopment and substantial improvements to buildings (more than 50% of value of the building and the land).
- Will not affect existing development.
- Will not create "no build" zones.
- Will not require structures to be elevated when doing so is impractical.

The proposed regulations (of 1,044 pages) provide comprehensive and complex changes to existing regulations promulgated under a number of NJ statutes dealing with land use and development and infrastructure protection in vulnerable areas. The proposed regulations also introduce three new concepts summarized as follows.

- Inundation Risk Zone ("IRZ"): This means land that is above sea level today, but in the future will be under permanent standing water all the time due to sea level rise, or twice a day during high tide.
- Climate Adjusted Flood Elevation ("CAFE"): This means the current FEMA 100-year flood elevation plus 5 ft, plus an additional 1 ft of freeboard. The effect of this is that the FEMA jurisdictional area will be moved further inland.
- NJ Alignment with FEMA National Flood Insurance Program Standards: This means conforming DEP permits and authorizations for development with the more stringent standards of FEMA.

The DEP set November 7, 2024, as the due date for written comments on the proposed regulations and expects to have the new regulations become effective by July 2025. We have a copy of the Township's preliminary comments, which raise significant conceptual and administrative issues, and identify potential adverse economic impacts on property owners under the proposed regulations. Many other stakeholder organizations have submitted comments. We will continue to monitor this matter.

If you wish to read more about this matter, please refer to our website (re: LBI Resiliency Efforts/NJ Department of Environmental Protection – Protecting Against Climate Threats – Resilient Environment and Landscapes (NJPACT REAL) at:

https://lbt10.org/useful-links

Further, we continue to provide our Members with considerable material on this and related subjects for their consideration. Please refer to our website (re: LBI Resiliency Efforts) at:

https://lbt10.org/useful-links

- **Beach Erosion/Replenishment** This matter is monitored by a committee of the JCTA, and the current status can be summarized as follows. The LBI periodic beach replenishment project, which is managed and funded by Federal, State and County agencies (and was initially scheduled for 2023), began in September. The project will focus on those areas on LBI that have experienced the most erosion since the last periodic replenishment (*i.e.*, Beach Haven, Harvey Cedars, the Township and perhaps Surf City), including off 13th to 20th streets in our communities. The project is expected to be completed by next spring.
- Residential Overbuilding/Zoning We have attended the monthly Township Commissioners' and Land Use Board meetings to keep abreast of developments to assess the impact on our Members and communities. However, as mentioned in our 2023 report, we have come to realize that to be effective in this matter we need to increase our participation in meeting attendance and research. While some 40 Members have indicated in their applications that they are interested in supporting LBT10's efforts in these areas, we still do not have sufficient committed participation. We will continue during 2025 to organize our efforts toward more robust involvement.
- Property Assessments/Taxes Meeting with Ocean County Board of Taxation Regarding the Property Tax Process In November, we joined a group of JCTA representatives for a meeting with the appropriate people at the Ocean County Board of Taxation ("OCBT") for the purpose of gaining an understanding of the process by which our property taxes are determined and administered. This meeting was well conducted and extremely informative for all who attended. We were able to gain a high-level understanding of the property valuation methods used and how our property taxes are determined, right down to the tax rate per \$100 of assessed value for each component of our property tax bills for 2024/2025. As a result of this meeting, the JCTA plans to have further discussions with the OCBT on tax assessments and expenditures for LBI as necessary.

If you would like more information and the details, please go to:

https://nj.gov/treasury/taxation/pdf/lpt/ratables/Ocean2024.pdf

• Property Assessments/Taxes – Southern Regional School District ("SRSD") Property Tax Apportionment and School Board Representation for LBI - As mentioned in our 2023 report, after conducting a review of the present arrangements for the property tax apportionment and representation on the SRSD school board as between the six LBI municipalities and Stafford Township, we believe that consideration should be given to possible adjustments to the arrangements to make them less inequitable to the LBI taxpayers. In May, we held a meeting with Mayor Mancini and developed a strategy on how to proceed. Also, in June, we had an informative meeting with a member of the school board representing LBI to gain further insight into the issues. Further, we are supporting the efforts of Harvey Cedars in their October discussions with appropriate representatives from the State,

including the effect of pending legislation on the matter. It should be noted that about 23% of our property tax assessment for 2024/2025 goes to funding the SRSD.

- Bicycle & Pedestrian Safety & Related Issues Based on much feedback from our Members, during 2023 we prepared a comprehensive list of bicycle and pedestrian safety and related issues and suggested solutions for discussion with the Township leadership. We continued with this effort during 2024 with the result that the Township has installed improved pedestrian and bicycling direction signs along Beach Avenue. We believe much more needs to be done, and we will continue to review these issues and proposed solutions at the monthly Township Commissioners' meetings during the off-season with a view to having as much as possible addressed for the summer 2025 season.
- Beach Access & Beautification During 2023 and 2024 we continued our efforts with the Township to expand the deployment of bicycle racks at beach access points and signs posted on the beach access walkway railings prohibiting the attachment of bicycles. During 2024 the Township has installed many bicycle racks and signs throughout the Township; however, more needs to be done. To support the Township in this effort, we prepared a survey of the bicycle racks, railings, and "No Bike" on railing signs that are positioned or are needed at each of the 82 ocean beach accesses in our communities. The Township appreciated our effort and will share it with the Department of Public Works as they plan their work for the 2024/2025 off-season.
- **2.** We Held Three Membership Meetings: Following are summaries of the Membership Meetings held in 2024:
 - **February 17, 2024** Where we did not have a guest speaker; however, we had a very useful discussion on a host of important matters with the Members that attended and those that join via Zoom.
 - **June 1, 2024** Where the guest speaker was Commissioner Alex Meehan, who addressed chronic flooding (pumps, values and bulkhead projects), water/sewer rates, beach access and pathway clearing, bicycle and pedestrian safety, and road repaving.
 - **September 14, 2024** Where the guest speaker was scheduled to be Mayor Mancini, who was not able to attend. Despite this, we did have a useful discussion on a host of important matters with the Members. We held a wine & cheese event after the Meeting.

To view the agendas and materials for these meetings, please refer to our website at:

https://lbt10.org/meetings/

3. We Improved Our Internal Processes:

- Square Invoicing Platform We have made some improvements to our Square invoicing platform to further ease the Members payment of their annual dues by credit card or bank transfer, including a button to allow automatic charging of a Member's credit card for annual dues. Of course, Members can still pay their dues by VENMO or check as they prefer.
- Website We continually update our website with fresh and useful information for the benefit of our Members which contains a substantial amount of information and external links designed to provide our Members with a comprehensive single source of reference on a number of matters. Further, we plan to undertake a substantial redesign of our website in 2025 to make the information more readably accessible. If you have not yet visited the website, please go to:

https://lbt10.org

• Audit Committee Review – The Audit Committee conducted its second review of the financial transactions processes and key operational activities. Based upon the review, the Audit Committee has determined that the financial processes and conduct of key operational activities are being performed in a manner that is in accordance with the By-Laws, and is adequate to preserve the assets of, and to avoid unintended liabilities and risks to, LBT10. Further, the financial statements prepared by LBT10 fairly present the financial position and changes in net assets for the reporting periods. To view the full Audit Committee report, please refer to our website (re: Audit Committee Report) at:

https://lbt10.org/About Us

4. We Conducted a Membership Drive:

During 2024, we conducted a four-part Membership Drive through the use of targeted mailings. Also, as part of the Drive, 50 Members posted signs in their yards to solicit new Members. The Drive resulted in 103 new Members joining, which is an increase of about 19% in our Membership from the start of 2024. We now have 655 Members, and we are committed to further increasing our Membership in 2025.

Our Members are our most valued asset...and the more Members we have the more views we have... and the louder our voice!

5. Some of Our Other Plans for 2025:

• Catastrophic Storm Preparation – During 2024 we did not have sufficient Membership participation to devote to gaining an understanding of the arrangements that are in place or under consideration by the six LBI municipalities

and other appropriate authorities to deal with a catastrophic event. We plan to devote an effort to this in 2025.

- **Membership Survey** We plan to conduct another Membership Survey in January 2025 to gauge Member interest priorities to focus on in 2025.
- Committee Expansion and Member Support During 2024 we did not have sufficient Membership participation to expand our committees to reflect the interests of our Members. The committees we plan to expand are:
 - Bicycle & Pedestrian Safety & Related Committee
 - Hospitality/Membership Meeting Committee
 - Fund Raising Committee
 - Newsletter Committee

If you are interested in participating on these committees or any other Committee, please reach out to me at whmalone@gmail.com, or at 201-615-2603. You can also reach out to any member of our Board of Trustees.

- **Beach Clean-Up and Dune Grass Planting:** We participated in a dune grass planting in October; and plan to join a beach cleaning event possibly sponsored by Clean Ocean Action, or others, in spring 2025.
- Surflight Theatre Show and Dinner In August we held a "Dinner & Show" event which was attended by 19 Members. We plan to offer it again in 2025.

We wish you and your family all the joys of the season, and a healthy and prosperous 2025!

Sincerely,

Bill Malone Chair of the Board of Trustees & President