

**Fort Monmouth Economic Revitalization Authority  
In-Person & Telephonic Board Meeting  
502 Brewer Avenue, Oceanport, N.J. 07757  
Dial In: 888-431-3598 Access Code: 1123026  
Agenda – January 18, 2023**

1. **Call to Order**
2. **Notice of Public Meeting**
3. **Pledge of Allegiance**
4. **Roll Call**
5. **Welcome – Mayor Anthony Talerico, Jr., Vice-Chairman**
6. **Approval of Previous Month’s Board Meeting Minutes**
7. **Public Comment Regarding Board Action Items**
8. **Executive Director/Secretary Report & Update**
9. **Committee Reports**
  - Audit Committee – Anthony Talerico, Jr., Chairman
  - Real Estate Committee – Anthony Talerico, Jr., Chairman
  - Environmental Staff Advisory Committee – Elizabeth Dragon, Chairwoman
  - Historical Preservation Staff Advisory Committee – Jay Coffey, Chairman
  - Housing Staff Advisory Committee – Robert Long, Chairman
  - Veterans Staff Advisory Committee – Lillian Burry, Chairwoman
10. **Board Actions**
  1. Consideration of Approval of the Amended Interagency Agreement between FMERA and the Borough of Oceanport to contract for civil and environmental engineering services.
  2. Consideration of Approval of the Eighth Amendment to the Purchase and Sale Agreement & Redevelopment Agreement with the Borough of Eatontown for a Department of Public Works Complex on the 1123 Parcel.
11. **Other Items**
12. **Public Comment Regarding any FMERA Business**
13. **Adjournment**

**MEMORANDUM**

**To:** Members of the Board  
**From:** Kara Kopach  
Executive Director  
**Date:** January 18, 2023  
**Subject:** Monthly Status Report

**Summary**

The following are brief descriptions of the Fort Monmouth Economic Revitalization Authority (FMERA) staff's monthly activities which include the Treasurer's Report, and Update on Utilities and Infrastructure, and Update on the Fort Monmouth Redevelopment; and an Update on Development & Marketing.

**Treasurer's Report**

FMERA staff is beginning to prepare the Authority's 2022 Annual Report and financial statements for presentation to the Audit Committee, which serve as FMERA's Comprehensive Annual Report to meet the requirements of Executive Order No. 37 (2006). It is expected that a draft report and statements will be available for review in mid-March, and finals presented to the Board in April.

The Authority's independent auditors, CliftonLarsonAllen, LLP, have begun work on their audit of the Authority's operations. The auditors will report on the Authority's financial statements and accompanying notes, as well as report on the Authority's internal controls and compliance with Government Auditing Standards. Field work is scheduled to begin the last week of February.

**Executive Director's Report**

1. **Update on Utilities and Infrastructure**

- Construction is near completion on the new sanitary pump station, east interceptor and force main along Oceanport Avenue. The force main conduit along Oceanport and Silverside Avenues north of Parkers Creek has been installed. The new pump station wet-well and dry-well structures have been installed, as well as 1,625-feet of gravity main along Oceanport and Riverside Avenues. The completed project will initially accept sanitary outfall from the Lodging and Allison Hall parcels and the 400 Area. The line will also accommodate offsite outfall from the Horseneck Point and Riverside Avenue residences. Earle has stated they will complete the project by the 1<sup>st</sup> quarter of 2023.
- The Phase II sanitary project which includes the South Interceptor and the Barker Circle lines has been awarded by TRWRA. The project will provide sanitary outfall to all development along Oceanport Way and will also connect Barker Circle and Liberty Walk.
- In Eatontown, T&M continues to design the Avenue of Memories sewer main and pump station to serve the outfall from projects in the western side of the Main Post which is near of the Fort's Route 35 frontage.
- Design work has begun for a new sanitary main in Wilson Avenue which will serve the Monmouth County Motor Pool, Tech Campus B, the Eatontown Parks parcel, and Barracks parcel, and outfall into the Eatontown Sewerage Authority owned main along Mill Creek.
- FMERA staff continues to work with JCP&L to prepare the proposed electrical substation parcel for redevelopment. JCP&L has completed their due diligence and all contaminants of concern are now fully delineated.
- FMERA staff continues to repair and replace aged electrical infrastructure and is in discussions with JCP&L to replace all of the distribution lines on the Main Post to correspond with the new substation activation.

- The Facilities and On-site Maintenance Teams continues to maintain and repair heat systems and fire suppressions systems of buildings to be potentially reused by the potential Mega Parcel purchaser.

## 2. Update on the Fort's Redevelopment

The following is a town-by-town summary of the status of our redevelopment projects.

In **Oceanport**, FMERA has closed on the following seventeen properties:

- Former Patterson Army Hospital on December 13, 2013, with AcuteCare Systems.
- Officer Housing Parcels on January 13, 2017, with RPM Development, LLC. The company renovated the 116 historic housing units, creating 68 market-rate for sale units, and 48 rental units; twenty percent of the total units are available to low- and moderate-income households.
- Main Post Chapel on February 27, 2017, with Triumphant Life Assembly of God Church who purchased the approximately 16,372 sq. ft. building for use as a house of worship.
- Russel Hall on June 23, 2017, with TetherView Property Management, LLC, a private cloud computing services company who occupies the 40,000 sq. ft. building. Russel Hall currently houses a variety of businesses including tech companies, medical offices, and an architecture firm.
- 13-acre parcel on Murphy Drive on August 16, 2017, where the Borough of Oceanport purchased the property for their new municipal complex.
- Fitness Center on September 26, 2017, enabling Fort Partners Group, LLC, to renovate and expand the facility to emphasize basketball and medically based fitness and wellness programs, and individualized group training and classes.
- Dance Hall parcel on April 4, 2018, to The Loft Partnership, LLC. The developer plans to renovate the Dance Hall as a microbrewery, coffee house, and banquet facility.
- Building 501, on April 24, 2019, with Family Promise of Monmouth County, an approximately 1.7-acre site, via a Legally Binding Agreement (LBA).
- Telecommunications Tower and Land on October 25, 2019, with Global Signal Acquisitions, LLC for an approximately 0.58 parcel of land containing the Telecommunications Tower and adjacent land.
- Squier Hall Complex, on December 18, 2019, with KKF University Enterprises, LLC, an approximately 31-acre site. The developer has secured a commitment from New Jersey City University for use of the site as a satellite campus and anticipates opening in Fall 2020.
- Commissary, Post Exchange (PX) complex, Warehouse District and a 1000 Area Parking parcel, on October 16, 2020, with OPort Partners, LLC. The Commissary/PX parcel shall permit, Food Service, Flex space, Office, R&D and Instructional Schools and Studios. The Warehouse District will permit Flex Space, Medical Office, Office, and Research & Development.
- Marina, on March 22, 2021, with AP Development Partners, LLC, which will continue to operate as a marina/public boat ramp and restaurant.
- Barker Circle, with Barker Circle Partnership, LLC, an approximately 19.5-acre parcel in the historic district which includes the repurposing of buildings 205-208, and 287, as well as the Main Post Firehouse and Kaplan Hall, for residential, office and other commercial uses.
- Lodging Area, on November 24, 2021, with Somerset Development, LLC, a 15-acre site located on Parkers Creek, to be developed with up to 185 new and renovated housing units.
- Allison Hall, on May 18, 2022, with Fort Monmouth Business Center, LLC, a 13-acre parcel which includes the reuse of the historic building, as well as retail, office/research & development and open space/recreation uses.

Also in **Oceanport**, FMERA has executed or approved contracts on the following property:

- Nurses Quarters, with RPM Development, LLC for the 24-unit residential complex on Main Street adjacent to the former Patterson Army Hospital.

In **Eatontown**, FMERA has closed on the following three properties:

- Suneagles Golf Course, on December 18, 2020, with Martelli Development, LLC, to maintain and upgrade the existing Golf Course, renovate historic Gibbs Hall, and construct 75 new housing units. Martelli continues to operate the course and restaurant in the interim, so it remains open to the public as the redevelopment progresses.
- New Jersey American Water Tank Parcel, on April 23, 2021, a parcel located on a 3.945-acre tract on the Howard Commons parcel to install a water tank to serve NJAW's needs by providing approximately four acres of land surrounded on two sides by undeveloped preserved forest, a municipal road on another and a fourth side that

encompasses soon to be built residential units which will be buffered by trees.

- Eatontown Parks Parcel, on March 7, 2022, with the Borough of Eatontown, a 3.82-acre tract known as the Nicodemus Avenue Park Parcel located on Nicodemus Avenue for active recreation uses.

Also in **Eatontown**, FMERA has executed or approved contracts on the following parcel:

- Building 1123, a former general office building at Avenue of Memories and Wilson Avenue with the Borough of Eatontown for the reuse by the Borough's Department of Public Works.

In **Tinton Falls**, FMERA has closed on the following nine properties:

- Parcel E, on January 13, 2013, with Commvault for the headquarters.
- Building 2525, on February 5, 2016, with Aaski Technologies who leases the building to other tenants for technology and office uses.
- Child Development Center, on March 18, 2016, with Trinity Hall, for the all-girl high school.
- Fort Monmouth Recreation Center and Swimming Pool, on January 6, 2017, with the Monmouth County Park System and being used for programs which include arts & crafts, sports, exercise classes and a variety of amenities including classrooms, gymnasium and a game room.
- Parcel F-3 on February 23, 2017, with the Monmouth County Park System in conjunction with the adjacent Recreation Center and Swimming Pool. Located along Hope Road, the County has expanded its services and public open space amenities currently offered at the Recreation Center.
- Charles Wood Fire Station, on May 22, 2018, transferring the property to Commvault Systems, Inc. for use as corporate office and training space.
- Parcel C with Lennar Corporation, on August 2, 2018, approved for 243 residential units and up to 58,000 sq. ft. of retail development.
- Parcel C1 with Lennar Corporation, on August 2, 2018, planned for 45 new single-family homes.
- Parcel F-1 – Myer Center and Building 2705, on December 16, 2022, an approximately 36-acre parcel in Tinton Falls where RWJ Barnabas Health (RWJBH) plans to create a health campus to include a cancer center, medical offices, and a future hospital.

Also in **Tinton Falls**, FMERA has executed contracts on two properties:

- Fabrications Shops (Pinebrook Road Commerce Center), 45,000 sq. ft. of light industrial and flex office space buildings along Pinebrook Road for sale to Pinebrook Commerce Center, LLC, which is slated to close imminently.
- Tinton Falls Commercial Parcel (Pulse Power, Building 2719, and the Pistol Range) with RWJBH for 1) construction of a three-story Medical Office Building; 2) installation of a grid-supply solar energy system; 3) construction of active recreational facilities, including two (2) multi-purpose grass or turf athletic fields, one (1) baseball/softball field, up to five (5) tennis courts, and a field house; 4) passive recreation, including a community walking/nature trail that enhances walkability and interconnectedness of the Tinton Falls section of Fort Monmouth; and 5) open space to benefit the surrounding area.

### 3. **Development & Marketing Update**

FMERA continues to make good progress on the Fort's redevelopment, with about 86 percent of the Fort's 1,126 acres sold, under contract, in negotiations, or entering the request for proposals process. To date, FMERA has sold 34 parcels, and another 5 parcels are under contract or have Board-approved contracts. FMERA recently closed on the former Myer Center parcel, to be redeveloped by Robert Wood Johnson Barnabas Health for a cancer center, medical offices, and a future hospital.

Somerset Development and Pulte Group continue to make incredible progress on the Parkers Creek residential development in Oceanport, with model homes open to the public. Nearby, the Allison Hall project has completed extensive demolition, paving the way for the construction of new business lofts, retail, and a waterfront restaurant, among other amenities. The remainder of FMERA's projects are in various stages of development, many of which are still in the due diligence, design, and approvals phases. Continuous demolition and construction are underway at the Main Post, with several businesses slated to open prior to year-end.

FMERA has also funded numerous utility projects to serve these new development projects on the Main Post, as reported previously.

The development team is focusing its efforts on the development of the Mega Parcel. As of January 13, 2023, Netflix is under contract for the property's redevelopment as a state-of-the art film studio campus. In relation to tonight's Board action to amend an MOU with the Borough of Oceanport, FMERA is also in the process of working to demolish several antiquated buildings to make way for a new electrical substation and other potential uses.

As additional businesses and amenities continue to come online, FMERA is working to both promote these new and exciting developments, as well as to provide directional guidance through wayfinding signage. FMERA plans to install new signage on Main Street, highlighting several establishments located in Oceanport, including Birdsmouth Brewery and the Oceanport Municipal Complex. Along Route 35, we've refreshed our existing two-panel sign to highlight several developments within Fort Monmouth. We anticipate installing additional wayfinding signage later this year.

In addition to highlighting new development, FMERA is also looking to pay homage to the Fort's history. Our team is currently exploring the installation of public displays featuring historical images and facts, which would be displayed within publicly accessible areas.

Please visit our website, [www.fortmonmouthnj.com](http://www.fortmonmouthnj.com) and follow us on Instagram at @fortmonmouthnj for our latest updates.

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Kara Kopach

Prepared by: Regina McGrade

DRAFT

**Resolution Regarding**  
**Approval of an Amended Interagency Agreement between FMERA and the Borough of Oceanport to**  
**contract for civil and environmental engineering services**

**WHEREAS**, the identified buildings on the Main Post of Fort Monmouth are outdated and not suitable for future use. All four buildings are in locations targeted for utility and infrastructure improvements and/or blight removal. This interagency agreement will enable FMERA to move forward with the blight removal and improvements to the Main Post infrastructure, which will serve both sold properties and future redevelopment projects on the Main Post; and

**WHEREAS**, in particular, FMERA is obligated to demolish Building 885 under its current agreement with Jersey Center Power & Light for buildout of a new substation, while Buildings 550 and 551, and 555 are located near current development and the Project Site containing Buildings 550 and 551 may be used for future public parking. Therefore, demolition will support redevelopment at the Fort including current and future property owners; and

**WHEREAS**, at its June 2022 meeting, the Board approved a Memorandum of Understand (“MOU”) with the Borough of Oceanport (“Borough”) to contract for civil and environmental engineering services for demolition plans and specification including environmental abatement, demolition and site improvements. The Borough selected Colliers Engineering and Design (“Colliers”) as its engineering firm via a formal RFQ process for the calendar year. Accordingly, the Borough retained Colliers to prepare plans and a scope of work (the “Plans”) for the Project. The MOU with the Borough was executed on July 6, 2022; and

**WHEREAS**, the Project scope included one set of demolition plans for the three Project Sites and three additional demolition plans and specification for each of the three (3) Project Sites. The Plans also included surveying services and field/building reconnaissance. Under the terms of MOU, the Plans were to be used by FMERA to bid out environmental abatement and demolition contracts for portions of the Main Post, and FMERA may choose to bid out each of the three identified Project Site either together or separately; and

**WHEREAS**, draft plans were to be provided within 60 days of receiving notice from FMERA to proceed with the Project with 14 days for FMERA to review and comment, and then 14 days for the Borough’s engineer to finalize and deliver the four sets of Plans. Costs for the work was estimated to be \$19,000, with the Board approving a delegation to FMERA’s Executive Director to increase the cost by an amount not to exceed 10% for unforeseen design costs for demolition or environmental abatement. In the event the amount due to the Borough’s contractor for the work described within the MOU is expected to be greater than \$19,000, the Borough is required to notify FMERA that additional Project Funds are required. Any increase in costs is subject to FMERA’s Board approval; and

**WHEREAS**, upon initiating work under the original MOU, Colliers concluded that the amount allocated to the Project did not capture the full cost to complete the work under the MOU. In particular, Collier’s found that the asbestos and environmental testing performed by the Army and relied on to form the basis of the initial Project funding costs was insufficient to meet demolition standards and additional testing was required far beyond what was originally anticipated; and

**WHEREAS**, additionally, FMERA’s original civil engineering cost estimate did not include the necessary manhours to identify each type of construction material (concrete, steel, wood, sheetrock, fiberglass, etc.) found in the four referenced buildings. The scope of work has been amended to indicate the construction material needs to be quantified in terms of the amount of material (linear feet or square feet) and then converted into pounds for each material present and incorporated into the demolition specifications for each building; and

**WHEREAS**, upon the Borough notification to FMERA that the funds under the original MOU would not be sufficient to complete the scope of work, FMERA requested an updated estimate for the scope of the work to include the additional asbestos and environmental testing and surveying work. Under the expanded estimate, the Project funding costs are now estimated to be One Hundred and Ninety-Five Thousand Three Hundred and Sixty-Five (\$195,365.00) Dollars. This increase reflects the inclusion of additional hours for identification of material quantities and required asbestos and environmental testing. All other terms of the MOU remain the same; and

**WHEREAS**, FMERA anticipates entering into a second MOU with Oceanport to engage the Borough's engineer to publicly bid and oversee the remediation and demolition work. Any future MOU will be subject to Board approval; and

**WHEREAS**, staff requests Board approval to enter into this amended interagency agreement utilizing the attached draft MOU between FMERA and the Borough of Oceanport for environmental abatement and demolition design and engineering services. In addition, staff requests committee recommend that the Board grant the Executive Director delegated authority to increase the Project Funding by an amount not to exceed 10% for unforeseen design costs for demolition or environmental abatement; and

**WHEREAS**, the attached amended MOU is in substantially final form. The final terms of the amended MOU will be subject to the approval of the Executive Director, the Borough of Oceanport and as to form by the Attorney General's Office. The Real Estate Committee has reviewed the request and recommends it to the Board for approval.

**THEREFORE, BE IT RESOLVED THAT:**

1. The Authority approves the amended interagency agreement between FMERA and the Borough of Oceanport to contract for civil and environmental engineering services for demolition plans and specifications including environmental abatement, demolition and site improvements, for three Projects Sites that include: Buildings 550 and 551, Building 555, and Building 886, which are all located in the Oceanport section of Fort Monmouth and grant delegated authority to the Executive Director to increase Project Funding by an amount not to exceed 10% for unforeseen design costs for demolition of environmental abatement with final terms acceptable to the Executive Director and a review as to form by the Attorney General's Office and authorizes the Executive Director to execute the Agreement.

2. This resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays, and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor of the State of New Jersey for his approval, unless during such 10-day period the Governor of the State of New Jersey shall approve the same, in which case such action shall become effective upon such approval, as provided by the Act.

**ATTACHMENT**

**Dated: January 18, 2023**

**EXHIBIT 1**

**MEMORANDUM**

**TO:** Members of the Board

**FROM:** Kara Kopach  
Executive Director

**RE:** Approval of the Amended Interagency Agreement between FMERA and the Borough of Oceanport to contract for civil and environmental engineering services

**DATE:** January 18, 2023

**Request**

I am requesting that the Board approve the amended interagency agreement between FMERA and the Borough of Oceanport to contract for civil and environmental engineering services for demolition plans and specifications including environmental abatement, demolition and site improvements, for three Projects Sites that include: (1) Buildings 550 and 551, (2) Building 555, and (3) Building 886, which are all located in the Oceanport section of Fort Monmouth (the “Project”), and the grant of delegated authority to the Executive Director to increase Project Funding by an amount not to exceed 10% for unforeseen design costs for demolition of environmental abatement. This agreement will enable FMERA to move forward with blight removal and improvements to the Main Post infrastructure.

**Background**

Buildings 550, 551, 555 and 886, which are located on the Main Post of Fort Monmouth, are in locations targeted for utility and infrastructure improvements and/or blight removal. All four buildings are outdated and not suitable for future use. Under its current agreement with Jersey Center Power & Light for buildout of a new substation, FMERA is obligated to demolish Building 885. The site containing Building 555 may be utilized for an expansion and dedication of Brewer Lane, while the site containing Buildings 550 and 551 may be used for future public parking. Buildings 550 and 551, and 555 are located near current and future development.

**June 2022 MOU**

At its June 2022 meeting, the Board approved a Memorandum of Understand (“MOU”) with the Borough of Oceanport (“Borough”) to contract for civil and environmental engineering services for demolition plans and specification including environmental abatement, demolition and site improvements. The Borough selected Colliers Engineering and Design (“Colliers”) as its engineering firm via a formal RFQ process for the calendar year. Accordingly, the Borough retained Colliers to prepare plans and a scope of work (the “Plans”) for the Project.

The Project scope included one set of demolition plans for the three Project Sites and three additional demolition plans and specification for each of the three (3) Project Sites. The Plans also included surveying services and field/building reconnaissance. Under the terms of MOU, the Plans were to be used by FMERA to bid out environmental abatement and demolition contracts for portions of the Main Post, and FMERA may choose to bid out each of the three identified Project Site either together or separately.

Draft plans were to be provided within 60 days of receiving notice from FMERA to proceed with the Project with 14 days for FMERA to review and comment, and then 14 days for the Borough’s engineer to finalize and deliver the four sets of Plans. Costs for the work was estimated to be \$19,000, with the Board approving a delegation to



FMERA's Executive Director to increase the cost by an amount not to exceed 10% for unforeseen design costs for demolition or environmental abatement. In the event the amount due to the Borough's contractor for the work described within the MOU is expected to be greater than \$19,000, the Borough is required to notify FMERA that additional Project Funds are required. Any increase in costs is subject to FMERA's Board approval

The MOU with the Borough was executed on July 6, 2022.

Upon initiating work under the original MOU, Colliers concluded that the amount allocated to the Project did not capture the full cost to complete the work under the MOU. In particular, Collier's found that the asbestos and environmental testing performed by the Army and relied on to form the basis of the initial Project funding costs was insufficient to meet demolition standards and additional testing was required far beyond what was originally anticipated.

Additionally, FMERA's original civil engineering cost estimate did not include the necessary manhours to identify each type of construction material (concrete, steel, wood, sheetrock, fiberglass, etc.) found in the four referenced buildings. The scope of work has been amended to indicate the construction material needs to be quantified in terms of the amount of material (linear feet or square feet) and then converted into pounds for each material present and incorporated into the demolition specifications for each building.

#### **Amended MOU**

Upon the Borough notification to FMERA that the funds under the original MOU would not be sufficient to complete the scope of work, FMERA requested an updated estimate for the scope of the work to include the additional asbestos and environmental testing and surveying work. Under the expanded estimate, the Project funding costs are now estimated to be One Hundred and Ninety-Five Thousand Three Hundred and Sixty-Five (\$195,365.00) Dollars. This increase reflects the inclusion of additional hours for identification of material quantities and required asbestos and environmental testing. All other terms of the MOU remain the same.

FMERA anticipates entering into a second MOU with Oceanport to engage the Borough's engineer to publicly bid and oversee the remediation and demolition work. Any future MOU will be subject to Board approval.

Staff requests Board approval to enter into this amended interagency agreement utilizing the attached draft MOU between FMERA and the Borough of Oceanport for environmental abatement and demolition design and engineering services. In addition, staff requests that the Board grant the Executive Director delegated authority to increase the Project Funding by an amount not to exceed 10% for unforeseen design costs for demolition or environmental abatement.

The attached amended MOU is in substantially final form. The final terms of the amended MOU will be subject to the approval of the Executive Director, the Borough of Oceanport and as to form by the Attorney General's Office. The Real Estate Committee has reviewed the request and recommends it to the Board for approval.

#### **Recommendation**

In summary, I am requesting that the Board approve the amended interagency agreement between FMERA and the Borough of Oceanport to contract for civil and environmental engineering services for demolition plans and specifications including environmental abatement, demolition and site improvements, for three Projects Sites that include: (1) Buildings 550 and 551, (2) Building 555, and (3) Building 886, which are all located in the Oceanport section of Fort Monmouth (the "Project") and grant delegated authority to the Executive Director to increase Project Funding by an amount not to exceed 10% for unforeseen design costs for demolition of environmental abatement.

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Kara Kopach

Prepared by: Kara Kopach

**Resolution Regarding**  
**Eighth Amendment to the Purchase and Sale Agreement & Redevelopment Agreement with the Borough of**  
**Eatontown for a Department of Public Works Complex on the 1123 Parcel**

**WHEREAS**, on May 18, 2016, the Board approved Evaluation Scoring for Local Beneficial Use Requests for the Borough's request to purchase a 7.2-acre tract known as the 1123 Parcel ("the Property") including Buildings 1123, 1124, 1108, 1109 and 1110 located on Echo Avenue, in Eatontown, New Jersey for municipal uses including the relocation of Eatontown's Department of Public Works; and accordingly, the Borough's proposed use of the Property was reviewed and scored by FMERA staff utilizing the Board approved LBU criteria, resulting in a 40% price reduction and sale price of \$886,461.00; and

**WHEREAS**, on January 16, 2019, the Board authorized the execution of the PSARA between FMERA and the Borough for the Property, and the PSARA was executed on May 8, 2019; and

**WHEREAS**, pursuant to the terms of the PSARA, the Borough was provided a ninety-day Due Diligence Period commencing on the Effective Date of the PSARA; an Initial Approval Period of twelve months commencing at the end of the Due Diligence period; and a six-month Approval Extension Period, subject to FMERA approval, with Closing to occur within thirty days of satisfaction or waiver of the Conditions Precedent to Closing; and

**WHEREAS**, under the terms of the First Amendment, executed September 2, 2019, Purchaser agreed to: i) amend the Approval Period to run for a total period not to exceed six months, beginning at the expiration of the Due Diligence Period; and ii) Close within thirty days of the expiration of the amended six month Approval Period, subject to receipt of a NFA letter from the NJDEP for the two environmental carve-out parcels located within the Property and regardless of whether other Conditions Precedent to Closing have been waived or satisfied; and

**WHEREAS**, under the terms of the Second Amendment to the PSARA, the Executive Director agreed to retroactively extend the Approval Period under his Delegated Authority for five months or until October 30, 2020; the Second Amendment was executed on July 30, 2020; and

**WHEREAS**, under the terms of the Third Amendment to the PSARA, an additional five-month extension to the Approval Period, or until April 1, 2021 was approved and the PSARA reinstated; Third Amendment was executed November 29, 2020; and

**WHEREAS**, under the terms of the Fourth Amendment to the PSARA, the Project as set forth in the PSARA was amended to permit the demolition of Building 1124; the Fourth Amendment was executed April 8, 2021; and

**WHEREAS**, on March 30, 2021, via letter correspondence, the Borough requested an additional extension to the Approval Period, set to expire on April 1, 2021, indicating that the Borough needed additional time to respond to its incomplete Mandatory Conceptual Review (MCR) letter and resubmit a revised MCR package for FMERA's review; the Borough was granted an additional four month extension to the Approval Period at the FMERA Board's April 2021 meeting and the Fifth Amendment was executed June 7, 2021; and

**WHEREAS**, on July 8, 2021, via letter correspondence, the Borough requested a one year or twelve-month extension to the Approval Period, set to expire on August 1, 2021, citing outstanding environmental approvals from the NJDEP; the Borough indicated that any potential environmental issues that may arise and/or require additional funding to investigate or resolve would pose financial concerns for the approved 2021 budget and would be considered in the next fiscal year; and

**WHEREAS**, at FMERA's July 2021 Board meeting, the Borough requested and was granted an additional one year or twelve month extension to the Approval Period and the Sixth Amendment was executed on October 14, 2021; and

**WHEREAS**, on June 22, 2022, via letter correspondence, the Borough requested a six-month extension to the Approval Period, set to expire on August 1, 2022, citing unexpected delays that have significantly impacted the Borough's overall timeline; the Borough indicated that it has experienced numerous delays on the DPW project, beginning with pandemic related challenges that prevented the Borough from adhering to its anticipated timeline; and

**WHEREAS**, although the Borough had proceeded in good faith, delays caused the existing improvements, which are intended for reuse, to deteriorate significantly. The Borough wished to further investigate the condition of the buildings and reevaluate the costs associated with remediation and renovation of these facilities, noting that should those costs exceed the current budget for the Project, the Borough would need additional time to approve such expenses; and

**WHEREAS**, the Borough requested and was granted an additional (6) month extension to the Approval Period at the FMERA Board's July 2022 meeting. The Seventh Amendment was executed August 9, 2022; and

**WHEREAS**, on January 9, 2023, via letter correspondence, the Borough requested a four (4) month extension to the Approval Period, set to expire on February 1, 2023, citing the continued, compound effect of unexpected delays that have significantly impacted the Borough's overall timeline; and

**WHEREAS**, the Borough has noted that in the interim, FMERA's issuance of the Mega Parcel Request for Offers to Purchase and the subsequent selection of Netflix, Inc. as the contract purchaser at the Board's December 2022 meeting may impact the Borough's DPW project, including potentially making the Borough eligible for New Jersey Economic Development Authority's Film & Digital Media Studio Infrastructure Grant PILOT program, which is designed to support the development of roadwork or transportation improvements, water and/or sewer lines/service, telecommunications, accessibility, safety improvements, and site remediation work on government owned property which supports the development of a film or digital media studio production facility. The Borough will be pursuing these grants funds, which could substantially offset costs associated with the property's redevelopment and will need additional time to do so; and

**WHEREAS**, FMERA staff has reviewed this request and recommends the Board approve an extension to the Approval Period by four (4) months to June 1, 2023.

**WHEREAS**, all other terms of the PSARA will remain unchanged. The attached Eighth Amendment to the PSARA is in substantially final form. The final terms of the amendment will be subject to the approval of FMERA's Executive Director, the Borough of Eatontown, and as to form by the Attorney General's Office. The Real Estate Committee has reviewed the request and recommends it to the Board for approval.

**THEREFORE, BE IT RESOLVED THAT:**

1. The Authority approves the Eighth Amendment to the PSARA with the Borough of Eatontown for the 1123 Parcel for an extension of the Approval Period on terms substantially consistent to those set forth in the attached memorandum and with final terms acceptable to the Executive Director and the Attorney General's Office and authorizes the Executive Director to execute the Agreement.

2. This resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays, and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor of the State of New Jersey for his approval, unless during such 10-day period the Governor of the State of New Jersey shall approve the same, in which case such action shall become effective upon such approval, as provided by the Act.

**Attachment**

**Dated: January 18, 2023**

**EXHIBIT 2**

**MEMORANDUM**

**TO:** Members of the Board

**FROM:** Kara Kopach  
Executive Director

**RE:** Eighth Amendment to the Purchase and Sale Agreement & Redevelopment Agreement with the Borough of Eatontown for a Department of Public Works Complex on the 1123 Parcel

**DATE:** January 18, 2023

**Request**

I am requesting that the Board approve the execution of the Eighth Amendment to the Purchase and Sale & Redevelopment Agreement (“PSARA”) with the Borough of Eatontown (“Borough”) providing for an amendment to the Approval Period.

**Background**

On May 18, 2016, the Board approved Evaluation Scoring for Local Beneficial Use Requests for the Borough of Eatontown’s request to purchase a 7.2-acre tract known as the 1123 Parcel (the “Property”) including Buildings 1123, 1124, 1108, 1109 and 1110 located on Echo Avenue, in Eatontown, New Jersey for municipal uses including the relocation of Eatontown’s Department of Public Works. Accordingly, the Borough’s proposed use of the Property was reviewed and scored by FMERA staff utilizing the Board approved LBU criteria, resulting in a 40% price reduction and sale price of \$886,461.00.

On January 16, 2019, the Members of the Board authorized the execution of the PSARA between FMERA and the Borough of Eatontown for the Property. The PSARA was executed on May 8, 2019.

Pursuant to the terms of the PSARA, Purchaser was provided a ninety (90) day Due Diligence Period commencing on the Effective Date of the PSARA, an Initial Approval Period of twelve (12) months commencing at the end of the Due Diligence period, and a six (6) month Approval Extension Period, subject to FMERA approval. Closing would occur within thirty (30) days of satisfaction or waiver of the Conditions Precedent to Closing.

**Due Diligence & First Amendment**

Due to the existing constraints of the site and a need to further investigate two (2) Army-owned environmental carve-out parcels known as ECP Parcel 41 and ECP Parcel 43, environmental contractor T&M Associates made a recommendation to the Borough of Eatontown to request an extension of the Due Diligence Period, which expired on August 8, 2019 per the terms of the PSARA. A request to extend the Due Diligence Period to November 29, 2019 was subsequently submitted to the FMERA Board and approved at the July 2019 meeting.

Under the terms of the First Amendment, executed September 2, 2019, Purchaser agreed to: i) amend the Approval Period to run for a total period not to exceed six (6) months, beginning at the expiration of the Due Diligence Period; and ii) Close within thirty (30) days of the expiration of the amended six (6) month Approval Period, subject to receipt of a NFA letter from the NJDEP for the two environmental carve-out parcels located within the Property and regardless of whether other Conditions Precedent to Closing have been waived or satisfied.

### **Delegated Authority & Second Amendment**

Following the expiration of the Due Diligence Period, the Borough entered the Approval Period that was set to expire on May 30, 2020. On May 15, 2020, via email correspondence, Purchaser requested an extension to the Approval Period due to challenges navigating COVID-19 at the Borough and turnover in Borough staff.

Per the Board's action on April 15, 2020, the Executive Director was granted Delegated Authority to approve any pre-closing or post-closing extensions for up to five months for delays for COVID-19 related reasons so long as the developer has requested such an extension in writing and satisfied FMERA's request for any supporting documentation. The FMERA staff reviewed the Borough's request and the Executive Director agreed to retroactively extend the Approval Period under his Delegated Authority for five months or until October 30, 2020. The Second Amendment was executed on July 30, 2020.

### **Reinstatement & Third Amendment**

On October 2, 2020, via letter correspondence, Purchaser requested an additional extension to the Approval Period, set to expire on October 30, 2020, citing delays in the Borough budget approval process for 2020. The budget approval was required in order for the Borough to authorize funds for the remaining environmental work to be completed by T&M Associates. The Borough requested an additional five (5) month extension to the Approval Period or until April 1, 2021. As the Approval Period was set to expire before the Third Amendment could be adopted, the Borough conditionally terminated and reinstated the PSARA under the Third Amendment, executed November 29, 2020.

### **Demolition of Building 1124 & Fourth Amendment**

The Borough of Eatontown submitted its initial Mandatory Conceptual Review (MCR) packet to FMERA on October 28, 2020. During its review, FMERA staff identified Building 1124 as slated for demolition on the Borough's site plan. The Project as set forth in the PSARA identifies 1124 as slated for renovation. FMERA notified the Borough of this conflict and the Borough confirmed its position regarding the intended demolition of Building 1124. As amended, the Reuse Plan allows for the demolition of Building 1124 and FMERA agreed that this change supported the highest and best use of the property. The FMERA Board reviewed and approved this request via the Fourth Amendment to the PSARA at its January 2021 meeting. The Fourth Amendment was executed April 8, 2021.

### **Extension of Approval Period & Fifth Amendment**

On March 30, 2021, via letter correspondence, the Borough requested an additional extension to the Approval Period, set to expire on April 1, 2021, indicating that the Borough needed additional time to respond to its incomplete MCR letter and resubmit a revised MCR package for FMERA's review. Although the Borough submitted a revised MCR package on March 26, 2021, FMERA had a forty-five (45) day period after the submission was deemed complete to review, which extended the review period beyond April 1, 2021. The Borough requested and was granted an additional four (4) month extension to the Approval Period at the FMERA Board's April 2021 meeting. The Fifth Amendment was executed June 7, 2021.

### **Extension of Approval Period & Sixth Amendment**

On July 8, 2021, via letter correspondence, the Borough requested an additional extension to the Approval Period, set to expire on August 1, 2021, citing outstanding environmental approvals from the NJDEP. The Borough indicated that any potential environmental issues that may arise and/or require additional funding to investigate or resolve would pose financial concerns for the approved 2021 budget and would need to be considered in the next fiscal year. The Borough requested and was granted an additional one (1) year or twelve (12) month extension to the Approval Period at the FMERA Board's July 2021 meeting. The Sixth Amendment was executed October 14, 2021.

### **Extension of Approval Period & Seventh Amendment**

On June 22, 2022, via letter correspondence, the Borough requested a six (6) month extension to the Approval Period, set to expire on August 1, 2022, citing unexpected delays that have significantly impacted the Borough's overall timeline. The Borough indicated that it has experienced numerous delays on the DPW project, beginning

with pandemic related challenges that prevented the Borough from adhering to its anticipated timeline. Although the Borough had proceeded in good faith, delays caused the existing improvements, which are intended for reuse, to deteriorate significantly. The Borough wished to further investigate the condition of the buildings and reevaluate the costs associated with remediation and renovation of these facilities, noting that should those costs exceed the current budget for the Project, the Borough would need additional time to approve such expenses.

The Borough requested and was granted an additional (6) month extension to the Approval Period at the FMERA Board's July 2022 meeting. The Seventh Amendment was executed August 9, 2022.

**Extension of Approval Period & Eighth Amendment**

On January 9, 2023, via letter correspondence, the Borough requested a four (4) month extension to the Approval Period, set to expire on February 1, 2023, citing the continued, compound effect of unexpected delays that have significantly impacted the Borough's overall timeline. Further, the Borough has noted that in the interim, FMERA's issuance of the Mega Parcel Request for Offers to Purchase and the subsequent selection of Netflix, Inc. as the contract purchaser at the Board's December 2022 meeting may impact the Borough's DPW project, including potentially making the Borough eligible for New Jersey Economic Development Authority's Film & Digital Media Studio Infrastructure Grant PILOT program, which is designed to support the development of roadwork or transportation improvements, water and/or sewer lines/service, telecommunications, accessibility, safety improvements, and site remediation work on government owned property which supports the development of a film or digital media studio production facility. The Borough will be pursuing these grants funds, which could substantially offset costs associated with the property's redevelopment and will need additional time to do so.

FMERA staff has reviewed this request and recommends the Board approve an extension to the Approval Period by four (4) months to June 1, 2023.

All other terms of the PSARA will remain unchanged. The attached Eighth Amendment to the PSARA is in substantially final form. The final terms of the amendment will be subject to the approval of FMERA's Executive Director, the Borough of Eatontown, and a review as to form by the Attorney General's Office. The Real Estate Committee has reviewed the request and recommends it to the Board for approval.

**Recommendation**

In summary, I am requesting that the Board approve the proposed Eighth Amendment to the PSARA with the Borough of Eatontown for the 1123 Parcel for an amendment to the Approval Period.

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Kara Kopach

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