

**Fort Monmouth Economic Revitalization Authority
Special Board Meeting
October 14, 2016
FMERA Offices, 502 Brewer Avenue, Oceanport, NJ**

MINUTES OF THE MEETING

Members of the Authority present:

- James V. Gorman – Chairman, Fort Monmouth Economic Revitalization Authority (FMERA) – V
- Lillian Burry – Monmouth County Freeholder – V
- Dr. Robert Lucky – Public Member – V
- Gerry Turning – Mayor of Tinton Falls – V
- Jay Coffey – Mayor of Oceanport - V
- Dennis Connelly – Mayor of Eatontown – V (via phone)
- Tim Lizura – President & Chief Operating Officer, NJ Economic Development Authority – V
- Michael Collins – Assistant Counsel, Authorities Unit, Office of the Governor – V
- Kenneth J. Kloo, Director, Site Remediation Program, NJ Department of Environmental Protection
- Gina Fischetti, Chief Counsel, Local Planning Services, NJ Department of Community Affairs (via phone)
- John Raue, Senior Policy Advisor to the Commissioner, NJ Department of Labor & Workforce Development
- William Riviere, Principal Planner, NJ Department of Transportation

V – Denotes Voting Member

Members not present:

Also present:

- Bruce Steadman, FMERA Executive Director
- Gabriel Chacon, Deputy Attorney General (DAG)
- Edward Pillsbury, Deputy Attorney General (DAG)
- FMERA staff

The meeting was called to order by Chairman James V. Gorman at 2:04p.m. who led the meeting in the Pledge of Allegiance to the flag of the United States of America.

In accordance with the Open Public Meetings Act, FMERA Secretary Bruce Steadman announced that the notice of the special meeting was sent to the Asbury Park Press and the Star Ledger at least 48 hours prior to the meeting, and that the meeting notice has been duly posted on the Secretary of State's bulletin board at the State House, and the FMERA and NJEDA websites.

WELCOME

Chairman James V. Gorman welcomed attendees to the special meeting. Mr. Gorman stated that the meeting called for the Board to review and consider actions on a very important element of the successful redevelopment of Fort Monmouth; the purchase by the Authority from the US Army of the remaining properties of the former Army base. Mr. Gorman extended his thanks to the members of the Board and the public for attending and participating in the special meeting. Mr. Gorman stated that the agenda is a limited agenda and does not function as a substitute for the regular Board meetings. Mr. Gorman stated that the next regular Board meeting is tentatively scheduled for November 2nd and will combine the October and November meetings.

Mr. Gorman further stated that the agenda calls for an Executive Session for the Board to consult with legal counsel on the pending financing negotiations with the County of Monmouth.

The Chairman went on to state that there will be two public comment periods at the meeting based on the Authority's public meetings protocol, 3 minutes per speaker for the first, and 5 minutes per speaker for the second. The Chairman reiterated his request for the public's cooperation in keeping comments as brief as possible. The Chairman continued by stating that in his role as Chairman he is required to conduct an orderly meeting and complete the meeting agenda in a reasonable time period. The Chairman concluded by stating that FMERA continues to welcome the public's constructive comments and ideas.

PUBLIC COMMENT REGARDING BOARD AGENDA ITEMS (3 minutes re: Agenda Items)

Tom Mahedy of Wall Township stated that he was opposed to both board actions. Mr. Mahedy asked why the State or the Federal Government did not loan the money to FMERA to purchase the remaining property from the US Army. Mr. Mahedy complained about the Restoration Advisory Board (RAB) stating that it is a federal mandate that they meet. Mr. Mahedy complained about the 3-minute and 5-minute public comment periods being too short, and asked for additional time.

Bruce Steadman answered Mr. Mahedy by stating that FMERA reviewed several options for the Phase 2 financing, including private and public funding sources, and the Monmouth County Improvement Authority (MCIA) provided the best terms and repayments options.

Mr. Gorman stated that the MCIA funding will cost less to the Monmouth County taxpayers as opposed to other sources of funding. Ms. Burry stated that the funding does not come from the Monmouth County taxpayers, but through the MCIA's sale of bonds.

Mr. Steadman stated that Mr. Mahedy's other comments have been addressed at many previous meetings. Mr. Steadman further stated that the FMERA Board's public comment protocol has been in place for the past two years, and in its current form closely resembles that of other New Jersey authorities.

The next item before the Board was to adjourn the Public Session of the meeting and enter into Executive Session – OPMA Exemption N.J.S.A. 10:4-12b(5) and (7):

A motion to go into executive session to discuss the negotiations with the County of Monmouth and for which the minutes are not anticipated to become available to the public until the negotiations are concluded and FMERA determines that the need for confidentiality no longer exists.

A motion was made by Lillian Burry and was seconded by Tim Lizura.

The Board adjourned the Public Session of the meeting and entered into Executive Session – OPMA Exemption N.J.S.A. 10:4-12b(5) and (7): Update on Negotiations with the County of Monmouth.

On a motion by Robert Lucky, seconded by Lillian Burry and unanimously approved by all voting members present, the Board adjourned the Executive Session at 2:53p.m. and opened the Public Session.

BOARD ACTIONS

A) The first item before the Board was the consideration of approval of Financing Agreements with the Monmouth County Improvement Authority and the County of Monmouth to Fund FMERA's Purchase of the Phase 2 Economic Development Conveyance Agreement.

Candice Valente read a summary of the Board memo.

The resolution is attached hereto and marked Exhibit 1.

A motion was made by Lillian Burry and was seconded by Robert Lucky.

Motion to Approve: LILLIAN BURRY Second: ROBERT LUCKY
AYes: 8

Mr. Gorman thanked Lillian Burry, the Deputy Attorneys General, Kenneth J. Kloo and Mayor Coffey, Mayor Turning and Mayor Connelly.

B) The second item before the Board was the consideration of approval of a Cooperative Services Agreement with the United States Department of Agriculture (USDA) Animal and Plan Health Inspection Services (APHIS) Wildlife Services.

Candice Valente read a summary of the Board memo.

The resolution is attached hereto and marked as Exhibit 2.

A motion was made by Tim Lizura and was seconded by Lillian Burry.

Motion to Approve: TIM LIZURA Second: LILLIAN BURRY
AYes: 8

OTHER ITEMS

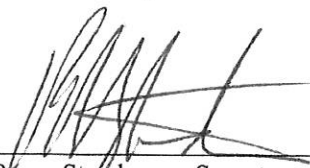
Bruce Steadman stated that the October 19th Board meeting has been cancelled and the next Board meeting is tentatively scheduled for November 2nd, combining the October and November Board meetings. This change in scheduled was occasioned by the need to have this Special Board Meeting on October 14.

PUBLIC COMMENT REGARDING ANY FMERA BUSINESS (3 minutes re: any FMERA business)

Tom Mahedy of Wall Township stated that he attempted to speak to the Army Site Manager, John Occhipinti regarding his concerns about the RAB meetings. Mr. Mahedy stated that he was opposed to the deer culling. Mr. Mahedy asserted that the taxpayers are responsible for all of the contamination that the Army leaves behind. There being no further business, on a motion by Lillian Burry seconded by Michael Collins and unanimously approved by all voting members present, the meeting was adjourned at 3:10p.m.

There being no further business, on a motion by Lillian Burry seconded by Michael Collins and unanimously approved by all voting members present, the meeting was adjourned at 3:10p.m.

Certification: The foregoing and attachments represent a true and complete summary of the actions taken by the Fort Monmouth Economic Revitalization Authority at its Board meeting.



Bruce Steadman - Secretary

**ADOPTED
October 14, 2016**

Resolution Regarding
**Approval of Financing Agreements with the Monmouth County Improvement Authority
and the County of Monmouth to Fund FMERA's Purchase of the Phase 2
Properties**

WHEREAS, the Fort Monmouth Economic Revitalization Authority (FMERA) approved a Phase 2 Economic Development Conveyance Memorandum of Agreement with the Army on April 20, 2016, enabling FMERA to acquire the balance of the former Fort property, located on the Main Post in Eatontown and Oceanport, subject to obtaining financing to fund the purchase; and

WHEREAS, FMERA has requested that the Monmouth County Improvement Authority (MCIA) finance the purchase of the Phase 2 properties through the issuance of taxable or tax-exempt notes in an estimated amount not to exceed \$35 million, with the notes to be issued prior to the closing of FMERA's purchase from the Army; and

WHEREAS, interest on the notes and associated expenses will be payable by FMERA on a current basis, with the notes issued annually as one-year obligations, and interest on the notes and expenses will be general obligations of the Authority; and

WHEREAS, FMERA will pay down approximately \$10 million in principal upon its sale of the first three parcels to developers, as those three parcels being under contract with the sales are anticipated to occur within six months of FMERA's closing with the Army, and the remaining principal balance on the notes will be repaid by FMERA from a portion of the sale proceeds of Phase 2 parcels; and

WHEREAS, the County of Monmouth's Board of Chosen Freeholders has authorized a payment guaranty for the notes for five (5) years, and the County will hold a mortgage against the Phase 2 parcels which mortgage will be released on a parcel by parcel basis as and when FMERA is ready to convey individual parcels to third party purchasers; and

WHEREAS, FMERA has prepared a financial plan that projects the sale of the Phase 2 properties within the five year guaranty term; and

WHEREAS, while FMERA will use the loan proceeds exclusively to fund the acquisition of the Phase 2 properties from the Army, the proposed financing will also indirectly enable the Authority to fund necessary improvements to Main Post infrastructure, as Phase 2 sale proceeds and other sources of revenue will fund the repayment of the MCIA financing in approximately five (5) years and \$25.8 million in estimated trunk infrastructure costs through 2021, including approximately \$12.5 million for sanitary sewer upgrades in the Oceanport section of the Fort, as projected in FMERA's Phase 2 Financial Plan, a 10-year sources and uses of funds projection accompanying the Army MOA and the Reimbursement Agreement,

the aforementioned sewer upgrades based on a study jointly funded by FMERA and the Two Rivers Water Reclamation Authority, and intended to benefit the residents of Monmouth County as well as future occupants of the Fort; and

WHEREAS, the Audit Committee recommends that the Board approve: (i) a Loan Agreement and Note with the Monmouth County Improvement Authority; (ii) a Reimbursement Agreement and Mortgage with Monmouth County; and (iii) an escrow agreement with the trustee, U.S. Bank, National Association, and that the Board delegate to the Executive Director authority to approve two related financing documents, the offering statement and contract of purchase, subject to the Attorney General's Office's review and approval;

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed and on the terms described in the attached memorandum, the Authority approves the provision of financing through the Monmouth County Improvement Authority on terms substantially consistent to those set forth in the attached memorandum and the attached Loan Agreement and Note with the Monmouth County Improvement Authority, the Reimbursement Agreement and Mortgage with Monmouth County; and escrow agreement with the trustee, U.S. Bank, National Association, on final terms acceptable to the Executive Director and the Attorney General's Office. The Executive Director or other staff authorized to execute documents pursuant to Operating Authority is authorized to do and perform all acts necessary to effectuate this action.

2. For the reasons expressed in the attached memorandum, the Authority approves delegating to staff authority to approve two related financing documents, the offering statement and contract of purchase, subject to the review and approval of the Attorney General's Office.

3. 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.

Dated: October 14, 2016

EXHIBIT 1

ADOPTED
October 14, 2016

Resolution Regarding
**Approval for a Cooperative Services Agreement with United States Department of
Agriculture (USDA) Animal and Plant Health Inspections Service (APHIS) Wildlife
Services**

WHEREAS, the Authority prepares to convey Avenue of Memories to Monmouth County with the County planning to open the road as soon as possible this fall, connecting Route 35 on the west to Oceanport Avenue on the East as the road is a critical artery and vital to the integration of the Fort properties in Eatontown and Oceanport and the surrounding region.

WHEREAS, the County estimates that between 7,500 and 9,000 cars per day will use the street, and therefore to protect the safety of drivers, the New Jersey Department of Environmental Protections (DEP) requested a plan to reduce the deer population be implemented and initiated prior to the opening of the road.

WHEREAS, as part of the consideration for the County issuing its payment guaranty of the \$35 Million Phase 2 financing, the County has required FMERA to implement a plan to reduce the deer population and FMERA staff has enlisted the help of the Army and the US Department of Agriculture (USDA) to initiate an adult deer culling program to be carried out by the USDA with the Army's permission.

WHEREAS, the USDA estimates that this program will yield approximately 40 pounds of meat per deer, to be distributed to local food shelves through the 501(c)(3) non-profit corporation Hunters Helping the Hungry.

WHEREAS, the APHIS Wildlife Services, who are trained in wildlife damage management and deer culling programs, will conduct the necessary operation activities and provide technical assistance in accordance with recommendations by the American Veterinary Medical Association and APHIS Wildlife Services policy.

WHEREAS, the USDA's fee for the program is estimated to be approximately \$40,000 and FMERA staff is requesting approval to enter into a Cooperative Services Agreement (CSA) with USDA to authorize a culling program and to reimburse USDA in order to satisfy the County's requirement.

WHEREAS, the Cooperative Services Agreement is in substantially final form and will be subject to the approval of FMERA's Executive Director and the Attorney General's office

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached memorandum, the Board authorizes FMERA staff to enter into a Cooperative Services Agreement (CSA) with USDA to authorize the culling program and to reimburse USDA in the amount of \$40,000 in order to

satisfy the County's requirement in response to NJDEP's request for a program to reduce the likelihood of deer/vehicle accidents. This formal action is subject to all necessary permits.

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.

Dated: October 14, 2016

EXHIBIT 2