

TO: Members of the Board

FROM: Bruce Steadman
Executive Director and Secretary

DATE: November 2, 2016

SUBJECT: Agenda for Board Meeting of the Authority

1. **Call to Order – James V. Gorman, Chairman**
2. **Pledge of Allegiance**
3. **Notice of Public Meeting - Roll Call – Bruce Steadman, Secretary**
4. **Approval of Previous Month’s Board Meeting Minutes**
5. **Approval of Special Board Meeting Minutes**
6. **Approval of Special Board Meeting Executive Session Minutes**
7. **Welcome – James V. Gorman, Chairman**
8. **Secretary’s Report**
9. **Treasurer’s Report**
10. **Public Comment Regarding Board Action Items**
11. **Executive Director’s Report:**
 - Update on the Phase 2 Economic Development Conveyance (EDC)
 - Update on Requests for Proposals (RFPs) and Contracts
 - Update on Requests for Offers to Purchase (RFOTPs)
 - Update on Marketing Effort
 - Action Items for Next Month
12. **Committee Reports**
 - Audit Committee – Robert Lucky, Chairman
 - Real Estate Committee – James V. Gorman, Chairman
 - Environmental Staff Advisory Committee – Kenneth J. Kloo, Chairman

- Historical Preservation Staff Advisory Committee – Bruce Steadman, Interim Chairman
- Housing Staff Advisory Committee – Gina Fischetti, Chairwoman
- Veterans Staff Advisory Committee – Lillian Burry, Chairwoman

13. **Board Actions**

- a. Consideration of Approval of Fifth Amendment to Purchase and Sale Agreement & Redevelopment Agreement for Parcels C & C1 in Tinton Falls
- b. Consideration of Approval of Second Amendment to Purchase and Sale Agreement & Redevelopment Agreement for Officer Housing Parcel in Oceanport

14. **Other Items**

15. **Public Comment Regarding any FMERA Business**

- Responses to questions submitted online or in writing

16. **Adjournment**

**Fort Monmouth Economic Revitalization Authority
Board Meeting
September 21, 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
- Patricia Cooper – Oceanport Councilwoman – V
- Dennis Connelly – Mayor of Eatontown – V
- 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
- John Raue, Senior Policy Advisor to the Commissioner, NJ Department of Labor & Workforce Development

V – Denotes Voting Member

Members not present:

- David Kuhn, Assistant Commissioner of Capital Investment Planning & Grant Administration, NJ Department of Transportation

Also present:

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

The meeting was called to order by Chairman James V. Gorman at 7:03p.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 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.

The first item of business was the approval of the August 17th regular meeting minutes. A motion was made to approve the minutes by Lillian Burry and seconded by Tim Lizura.

Motion to Approve: LILLIAN BURRY Second: TIM LIZURA
AYes: 7

Patricia Cooper abstained from voting stating that she was not at the August meeting.

WELCOME

Chairman James V. Gorman welcomed attendees to the annual meeting. Mr. Gorman stated that copies of the Board package were available at the door, and the Board package was posted to the FMERA website in the afternoon to give the public the opportunity to review the information in advance of the meeting.

Mr. Gorman stated that meeting marks the sixth anniversary of FMERA and its mission to help restore economic vitality to the communities affected by the closure of Fort Monmouth situated in the boroughs of Eatontown, Oceanport and Tinton Falls and within the County of Monmouth. Mr. Gorman stated that at the annual meeting there are Board Actions which occur once per year such as the appointment of the members of the Board Committees and the Chairpersons of each Committee, the appointment of the Secretary, the Treasurer and the other Officers. These actions are in addition to the regular Board action items.

Mr. Gorman stated that in addition to the required annual board resolutions, the Board will consider one action item, the Consideration of Approval of Funding for Design and Engineering of Sanitary Sewer Infrastructure.

Mr. Gorman stated that one board action not on the agenda is the Board's consideration and approval of the financial transaction documents with the Monmouth County Improvement Authority for the purchase of the Phase 2 property. Mr. Gorman stated that the transaction has proven to be more complex than originally anticipated and the documents will be forthcoming and approved at an upcoming meeting. Mr. Gorman thanked the County of Monmouth and the FMERA staff in working to move forward with the Phase 2 closing. Mr. Gorman stated that Special Board meeting may be scheduled prior to the next regular meeting to approve the financial documents and proper notice will be given to the public.

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 3 minutes per speaker for the second due to the lengthy agenda. 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.

SECRETARY'S REPORT

Mr. Steadman stated that the Chairman has appointed Bruce Steadman as Secretary and David Nuse as Treasurer.

Mr. Steadman stated that the Chairman has appointed the 2015-2016 Audit Committee Chairman and members and the Real Estate Committee Chairman and members.

Candice Valente read the names for the Committees:

- Audit Committee Chairman – Robert Lucky
- Audit Committee Members – James V. Gorman and Gerald Turning

- Real Estate Committee Chairman – James V. Gorman
- Real Estate Committee Members – Robert Lucky, Lillian Burry, and Dennis Connelly

Mr. Steadman stated that staff continues to review executive session minutes on an annual basis, and present an update to the Board at its annual meeting each September, which includes a list of matters no longer deemed confidential. Staff has determined that many items remain sensitive or unresolved, and therefore cannot be made public at this time; however, several items have been resolved and are no longer considered confidential, and these are now listed on the FMERA website.

Mr. Steadman stated that the Authority will be scheduling a Special Board meeting in October to review and approve the financial documents between FMERA and the County of Monmouth. Mr. Steadman noted that due to the complexity of the project and the large number of documents involved, all final drafts were not yet available for review by the Board.

TREASURER'S REPORT

Dave Nuse, Treasurer and Director of Real Estate Development, stated that the budget process for 2017 is about to get underway. In the coming weeks, FMERA staff will hold budget sessions and begin drafting the 2017 FMERA Budget. The draft budget will then be forwarded to the Audit Committee for its review. The 2017 Budget is scheduled to be brought before the Board for its consideration and approval at the December Authority meeting. FMERA staff and counsel participated in meetings and conference calls over the past month with representatives of the County of Monmouth and the Monmouth County Improvement Authority regarding FMERA's requested Phase 2 financing. A reimbursement resolution was approved by the Board at July's meeting. The balance of the financing documents are currently in preparation by County, MCIA, and FMERA representatives, and staff plans to seek Board approval as soon as final drafts are completed and acceptable to all 3 parties.. The New Jersey Local Finance Board provided positive findings on August 10, 2016 with respect to MCIA's note sale, and the Monmouth County Board of Chosen Freeholders adopted a resolution guarantying the notes at their August 24, 2016 meeting.

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

Tom Mahedy of Wall Township asked for the process in selecting the Advisory Committee members. Mr. Mahedy asked what questions are asked of the Committee members and if they are required to show political contributions. Mr. Mahedy asserted that there is a conflict of interest when Board members are members of both the Real Estate Committee and the Audit Committee. Mr. Mahedy asked if the OPRA Records Custodian and the Ethics Liaison were present at tonight's meeting and if not, they should be present at all of the meetings to answer questions from the public. Mr. Mahedy asked why there are only four members on the Real Estate Committee and the Committee should include representatives from the three host municipalities and members of the public.

Bruce Steadman answered Mr. Mahedy by stating that the process for selecting Committee members is governed by the FMERA By-Laws. Bruce Steadman stated that the Chairman selects the Committee Chairpersons for all committees, that the Chairman also selects the members for the 2 Board committees, Audit and Real Estate; and the Chairman directs FMERA staff and each Chairperson to select the Staff Advisory Committee (SAC) members per the established criteria of the SAC membership. Mr. Steadman stated that per the By-Laws, the Real Estate and Audit Committees are required to have Board members as Committee members and each Committee has a limited amount of members in order that there is no quorum on each Committee. The SAC members are selected based on the best available and willing person with the appropriate experience or resume to meet the established criteria for various SAC seats.

Mr. Steadman stated that on the EDA website and a link from the FMERA website, there is a clear and direct route by which to report any ethics violations, and a link for the state's Open Public Records Act (OPRA) process. Mr. Steadman stated that neither the Board nor staff has ever considered it necessary for either the OPRA or Ethics representatives to attend FMERA Board meetings.

Tim Lizura noted that OPRA stands for Open Public Records Act.

EXECUTIVE DIRECTOR'S REPORT

Rick Harrison, Director of Facilities Planning stated FMERA and the Army have concluded discussions on the impending transfer of the balance of the Main Post, to be accomplished under a Phase 2 Memorandum of Agreement (MOA). The Army and FMERA anticipate closing in the October/November timeframe. The remaining document required for transfer, the Phase 2 Finding of Suitability to Transfer (FOST), the Army's environmental clearance document, is final and has been posted to the Army website: <http://www.pica.army.mil/FtMonmouth/Documents/ATT3-FinalPhase2FOST.PDF>.

The following is a summary of the status of RFPs and Contracts that FMERA has issued.

Auctioneer

The last auction of equipment was at the Pulse Power Plant on August 17, 2016. The Auctioneer's Group is planning on some large auctions in the fall once the Phase 2 property transfers. In the meantime The Auctioneer's Group is prepping and staging the Phase 2 buildings for the fall auctions. The recent auction activity will net FMERA approximately \$92,000.

Utilities

- FMERA continues to plan for upgrades to utility systems, and to work with the public utilities and our subcontractors to ensure required utilities are safe and operational.
- There is a meeting next week to finalize the design and engineering for the water main extension application to accommodate the historic district development, the fitness center, FMERA offices and additional pending sales in the area surrounding the historic district.
- FMERA is also discussing roadways, public rights of way and easements with the three Boroughs and the County of Monmouth. The transfer agreement for the Charles Wood Electrical system to JCP&L was approved at the April board meeting and is complete. This agreement will also serve as a template for a Phase 2 electrical agreement which is currently under discussion.
- FMERA is also working toward an MOU with Two Rivers Water Reclamation Authority to define the terms and responsibilities for the future maintenance and operation of the existing sanitary sewer system and the transition to a proposed new system serving the Oceanport area of the Fort.

Suneagles Golf Course

LINX Golf Management, FMERA's operator, reports –

“Overall, despite the hot humid conditions, the course has held up quite well. The greens are in the best condition they have ever been in. We recently trimmed over 500 trees on the course and removed over 20 dead trees. Aerification of greens is underway to be followed by top dressing. Fertilizer applications of fairways and tees will take place shortly. We had to reduce water discharge substantially due to the extreme dry drought conditions. Normal watering has continued on greens and tees, however watering of fairways has been reduced by 50%. We have officially begun our membership drive and we are pleased to announce that there will be no increase in membership rates for the next golf season. In the past, members received a 10% discount if they joined prior to December 1. This year, there will be no increase plus members will receive 5 free guest passes. Rounds of golf for August of this year – 4,194 compared to 4,411 for the same time last year. Still a very strong August.”

Property Management/Maintenance

Our property management/maintenance team, Chenega Operations Services and the Army Caretakers, have been busy keeping our property presentable and secure, and monitoring buildings and properties for current marketing purposes. We are now in full fall mode preparing for the heating season and clearing roof drains and gutters. FMERA is also preparing for the transition of maintaining the Phase 2 property when transferred to FMERA which includes executing the Phase 2 Property Management phase of the agreement with Chenega and making staffing plans. Thank you to the County Highway District, the Oceanport DPW, the Eatontown DPW and the Tinton Falls DPW for their help and support.

Marina

The Marina is gearing up for fall football season and continues to draw nice crowds. The month of September they will be running a special to show appreciation for teachers and school support staffs with 10% off the food bill.

Dave Nuse, Director of Real Estate Development, gave the following town-by-town summary of the status of redevelopment projects.

In Oceanport, FMERA has executed contracts on 3 parcels:

- Officer Housing, consisting of 117 historic housing units, where RPM Development is the selected purchaser;
- Fitness Center, where FM Partners, LLC, is proposing to renovate and expand the facility;
- Russel Hall, the 40,000 square-foot former Garrison Headquarters building, to TetherView Property Management, LLC, a private cloud computing services company from New York.

At the August 2016 meeting, the Board authorized FMERA staff to execute a contract for the Dance Hall parcel. The Dance Hall is a 16,000 square-foot former recreation building on Brewer Avenue, planned for commercial and retail uses, including entertainment and restaurant purposes.

FMERA is in negotiations for the sale and redevelopment of the following 3 properties:

- Nurses Quarters, a 24-unit residential complex on Main Street adjacent to the former Patterson Army Hospital;
- Marina, currently approved for exclusive negotiations with AP Development Partners, LLC, and contemplated for a marina/public boat ramp and restaurant.
- Squier Hall Complex, an approximately 31-acre site currently under negotiations with the sole bidder, that is slated for office/research, institutional/civic (including educational) and open space/recreation uses. The future developer will be required to retain Squier Hall, which is listed on the National Register of Historic Places. Sale of the parcel, and all Phase 2 parcels, is contingent on the execution of the Phase 2 Economic Development Conveyance Agreement with the Army.

FMERA issued a Request for Sealed Bids for Purchase (RFB) for the Main Post Chapel, an approximately 16,372 square foot building on 5 acres in Oceanport. The RFB requests Bids that include a reuse of the facility as a house of worship. Bids are due on October 7th.

In Eatontown, FMERA is in negotiations for the sale and redevelopment of 3 properties:

- Howard Commons on Pinebrook Road, zoned for up to 275 homes and up to 15,000 square feet of retail space, where FMERA is in negotiations with the lead proposer;
- Parcel B, an expanded parcel including up to 89 acres for a mixed-use town center along Route 35 to include approximately 250,000 square feet of retail space and 302 housing units, where Fort Monmouth Parcel B Redevelopment, LLC, has been approved for exclusive negotiations.
- Eatontown Barracks, 6 buildings on Semaphore Avenue on an approximately 4.4-acre parcel, where FMERA received one proposal for an arts/cultural center use. Upon review of the proposal by an independent evaluation committee for compliance with the RFOTP, FMERA will begin negotiations with the proposer.

FMERA plans to issue an updated RFOTP for the Suneagles Golf Course. FMERA is seeking proposals for a use consistent with the plan, namely reuse of the Golf Course and construction of a hotel/conference center, or for an alternate use which includes the reuse of the Golf Course and up to 75 residential units within the 10-acre former Megill Housing area. The RFOTP will be posted to the FMERA website.

In **Tinton Falls**, FMERA closed on two properties this year:

- Building 2525, sold to RADAR Properties in February, which will lease the building to Aaski Technology and other tenants for technology and office uses;
- Child Development Center, sold to Trinity Hall in March, which will relocate the all girls high school to the site as their new home for the upcoming school year.

FMERA has executed contracts on another four projects:

- Parcels C and C1, with Lennar Corporation, approved for 288 residential units over the two parcels, and up to 58,000 square feet of retail development;
- Fabrications Shops (Pinebrook Road Commerce Center), 45,000 square feet of light industrial and flex office space buildings along Pinebrook Road for sale to Pinebrook Commerce Center, LLC;
- Pistol Range and Satellite Road Parcel, under contract with Kiely Realty Group for the reuse and upgrades to the former Pistol Range, and additional office and commercial uses on the combined approximately 5 acre parcel.
- Parcel F-3, the former gas station and convenience store along Hope Road, which the Monmouth County Park System will utilize in conjunction with the adjacent Recreation Center and Swimming Pool, to expand services and public open space amenities.
- Recreation Center and Swimming Pool, under contract to the Monmouth County Park System, is currently open to the public through a lease with the County.

FMERA is in negotiations for a contract related to the sale and redevelopment of the Charles Wood Fire Station, an approximately 4 acre parcel along Corregidor Road in the Tinton Falls Reuse Area. FMERA received 5 proposals to the RFOTP, and an independent evaluation committee scored those proposals and recommended FMERA begin negotiations with the highest scoring bidder. FMERA sought proposals to redevelop the site for civic/institutional or commercial/retail uses.

Candice Valente, Senior Planning and Development Officer, stated that FMERA and Cushman & Wakefield (Cushman), the Authority's Master Broker, will end the summer with a number of marketing events, as the Fort begins a new round of property sales with the transfer of the Phase 2 property.

Fort Monmouth was the focus of a Conference Session at the 20th Annual Governor's Conference on Housing and Economic Development on September 19th and 20th. The Conference, sponsored by the NJ Housing and Mortgage Finance Agency, the NJ Department of Community Affairs and the NJ Economic Development Authority, brings together public and private sector partners, as well as community and housing advocates and industry experts, to focus on economic development and affordable housing creation in the state. The panel of speakers for the Fort Monmouth session included Mayor Dennis Connelly from Eatontown, the CEO of TetherView, Mike Abboud, the president of Paramount Realty, Maurice Zekaria, and Les Smith, Senior Director from Cushman. Also at the event, Commvault Systems, LLC was honored as the 2016 Leading Economic Development/Redevelopment Award for the development of its company headquarters at the former Fort.

FMERA staff will also be in attendance at the International Economic Development Council's Annual Conference in Cleveland, OH, September 25-28, an opportunity for training and networking with leaders in economic development from around the country. This year's theme, Economic Development through Technology, Innovation and Productivity, will provide staff the chance to learn more about this exciting sector that is an integral goal in Fort Monmouth's redevelopment. On a more local level, FMERA will be a community sponsor of the 2016 Asbury Agile event on October 7th, bringing together tech entrepreneurs, innovators and students for a day of discussions and informal networking that grew from the Jersey Shore Tech meet-ups.

A pre-proposal conference related to the RFOTP for the Suneagles Golf Course will be held in early October. Interested proposers are welcome to attend to learn more about the property and the uses FMERA will be seeking from responses. Any materials provided to attendees or questions received will be posted to FMERA's website as an addendum to the RFOTP.

Please refer to our website, www.fortmonmouthnj.com, for more information and to sign up for our monthly digital newsletters.

Bruce Steadman thanked the Governor's Conference participants, Maurice Zekaria, Mayor Connelly, Mike Abboud and Les Smith for their excellent participation as speakers. Mr. Steadman thanked RPM Development for their time and effort with the Officers Housing project, and congratulated them on their award. Mr. Steadman thanked Commvault for the outstanding results with their new facility in Tinton Falls, and congratulated them on their award.

Mr. Steadman stated that Trinity Hall and Aaski Technology have opened their new facilities, and congratulated them both on the excellent investments each has made in renovating those former Army buildings. Mr. Steadman stated that Mike Abboud from Tetherview has done a great job refurbishing the Russel Hall building, in preparation for Tetherview's occupancy

Mr. Steadman thanked all of these companies for investing in the former Fort property and for participating in the future growth and expansion of the three municipalities and the County of Monmouth.

Mr. Steadman thanked Freeholder Burry and Teri O'Connor, John Tobia, Joe Ettore and the Monmouth County DPW for all of their work and efforts in preparing Avenue of Memories for the future opening. Mr. Steadman also thanked Gabriel Chacon, Edward Pillsbury, FMERA attorney Robert Tuteur, and FMERA staff Dave Nuse, Candice Valente and Jennifer Lepore for all of their work and efforts in the preparation of the financial documents with the County and the Monmouth County Improvement Authority.

Chairman Gorman asked for an update on Lennar's work on parcels C and C1. Mr. Steadman gave a brief update regarding Lennar's completion of due diligence for parcel C, and its preparation of the plans and specifications to be issued to the Tinton Falls Planning Board; and Lennar's recent completion of its due diligence for parcel C1. Mr. Nuse noted that Lennar is expected to file its Mandatory Conceptual Review (MCR) package with FMERA soon for parcel C, and that this submission is the precursor for Lennar's submission of its plans and specifications to the Borough. Mr. Nuse noted that the same preparation for parcel C1 would be slightly later than parcel C, and that both were expected soon.

Mr. Steadman concluded his report by stating FMERA's action items:

- Continued work with the N.J. Department of Environmental Protection to identify and resolve environmental issues of concern
- Continued meetings and tours with interested prospective employers and investors
- Continued outreach to our stakeholders in the 3 host municipalities, the County and others
- Continued collaboration with the NJEDA Trenton Office on marketing and business development opportunities

COMMITTEE REPORTS

a) **AUDIT COMMITTEE (ROBERT LUCKY, CHAIRMAN)**

Robert Lucky stated that the Committee met on September 8th and discussed the following:

- Discussion regarding the 6-month Operational Summary including:
 - Office of Economic Adjustment (OEA) Grant started on 7/1/16 represents the final step down in funding and will end on 6/30/17.
 - EDC revenue and expenses and the Capital budget are all currently under budget
- Discussion regarding the status of the Phase 2 Financing documents with Monmouth County.
- Discussion regarding the closed parcels and upcoming building closings.

b) REAL ESTATE COMMITTEE (JAMES V. GORMAN, CHAIRMAN)

Chairman Gorman stated that the Committee met on August 9th and discussed the following:

- Discussion regarding the Phase 2 financing documents provided by the County of Monmouth which includes the detailed terms of the maintenance and operation of the Avenue of Memories. The Committee discussed the misinformation by the public regarding the Phase 2 financing with Monmouth County, therefore, FMERA will post a Frequently Asked Questions and Answers section on their website regarding the financing.
- Discussion regarding a summary of a request to approve funding for the design and engineering of sanitary sewer infrastructure in the Phase 2 property. The Committee reached a consensus and agreed to recommend Board approval.
- Discussion regarding the RFOTP for the Suneagles Golf Course.
- Discussion regarding a potential deer management plan.
- Discussion regarding the relocation and preservation of the war monuments. The Committee defers this matter to the Historical Preservation Staff Advisory Committee and the Ad-Hoc Committees of Eatontown, Oceanport and Tinton Falls.
- Other items of discussion
 - Squier Hall
 - Main Post Chapel
 - Myer Center
 - McAfee Center

c) ENVIRONMENTAL STAFF ADVISORY COMMITTEE (KENNETH J. KLOO, CHAIRMAN)

Kenneth J. Kloo stated that the Committee did not meet this month.

d) HISTORICAL PRESERVATION STAFF ADVISORY COMMITTEE (BRUCE STEADMAN, INTERIM CHAIRMAN)

Bruce Steadman stated that the Committee met on September 14th and discussed the following:

- Review and discussion of the Mandatory Conceptual Review (MCR) for Russel Hall. Tetherview Property Management, LLC is proposing to reuse the property in a similar fashion after renovating the interior of the building.
- Discussion regarding the design exceptions that Tetherview would like to make to the building.
- Discussion regarding the site plan approval that Tetherview will submit to the Borough of Oceanport for their review and approval to grant the design exceptions. Tetherview is also awaiting approval from the NJ Historic Preservation Office (NJSHPO).
- The Committee reached a consensus and agreed to approve the Mandatory Conceptual Review.
- The Historical Preservation Committee approval shall be included and incorporated into the MCR.
- Discussion regarding the relocation of the Fort monuments.

e) HOUSING STAFF ADVISORY COMMITTEE (GINA FISCHETTI, CHAIRPERSON)

Gina Fischetti stated that the Committee did not meet this month.

f) VETERANS STAFF ADVISORY COMMITTEE (FREEHOLDER LILLIAN BURRY, CHAIRPERSON)

Lillian Burry stated that the Committee did not meet this month.

Ms. Burry stated that members of the FMERA Board, Tinton Falls Council and Monmouth County Freeholders reviewed the site plans for the Soldier On project to be built in Tinton Falls. Ms. Burry thanked Tinton Falls for welcoming the project to Tinton Falls.

Ms. Burry thanked John Tobia and the Monmouth County DPW for their preservation of the monuments on the Fort and their tireless efforts on preparing Avenue of Memories for its future opening.

BOARD ACTIONS

- A) The first item before the Board was the consideration of approval of Organization Matters:
- i. Assistant Secretaries of the Authority
 - ii. OPRA Records Custodian and Ethics Liaison
 - iii. Meeting Schedule for October 2016-September 2017

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 Dennis Connelly.

Motion to Approve: LILLIAN BURRY Second: DENNIS CONNELLY
AYes: 8

- B) The second item before the Board was the consideration of approval of the Staff Advisory Committee Membership.

Candice Valente read a summary of the Board memo.

The resolution is attached hereto and marked Exhibit 2.

A motion was made by Tim Lizura and was seconded by Michael Collins.

Motion to Approve: TIM LIZURA Second: MICHAEL COLLINS
AYes: 8

- C) The third item before the Board was the consideration of approval of funding and design and engineering of sanitary sewer infrastructure.

Candice Valente read a summary of the Board memo.

The resolution is attached hereto and marked as Exhibit 3.

A motion was made by Robert Lucky and was seconded by Tim Lizura.

Motion to Approve: ROBERT LUCKY Second: TIM LIZURA
AYes: 8

OTHER ITEMS

There were no other items before the Board.

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

Tom Mahedy of Wall Township asserted that the Ethics Officer should be present at meetings due to ethics violations. Mr. Mahedy asserted that the Veterans project has been moved from a toxic area on the Fort to an area in Tinton Falls with high power lines overhead. Mr. Mahedy asserted that the Restoration Advisory Board (RAB) is a by-partisan cover-up and all of the computers were hacked to the benefit of the Army and FMERA. Mr. Mahedy asserted that the students at Trinity Hall and the visitors of the Teen Center will be exposed to contamination when the Myer Center is demolished. Mr. Mahedy asked what will be done to protect the surrounding areas.

Mr. Steadman answered Mr. Mahedy by stating that the Restoration Advisory Board (RAB) is an Army-directed group of public and private entities that meet to discuss environmental issues, and that FMERA does not have management responsibilities for the RAB. Mr. Steadman stated that, as noted on many previous occasions, it is expected that an engineering firm will be hired to prepare the necessary design plans, safety plan, and associated documents and permits for the safe demolition of the Myer Center which should address the various aspects of a large demolition project, such as noise, traffic, safety, environmental considerations, communication of schedule to neighboring property owners and visitors, and/or other issues.

There being no further business, on a motion by Lillian Burry seconded by Tim Lizura and unanimously approved by all voting members present, the meeting was adjourned at 8:05p.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
September 21, 2016

Resolution Regarding the
**Appointment of a Director of the Fort Monmouth Office to be Assistant Secretary,
Reaffirmation of OPRA Records Custodian and Ethics Liaison, and Approval of
October 2016 – September 2017 Meeting Dates**

WHEREAS, the Legislature enacted the Fort Monmouth Economic Revitalization Authority Act (“Act”), P.L. 2010, c. 51, to create the Fort Monmouth Economic Revitalization Authority (“FMERA” or “Authority”); and

WHEREAS, the Authority’s By-Laws provide that an annual reorganization meeting be held in September of each year.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the designation of the Director of Facilities Planning and the Senior Planning and Development Officer of the Fort Monmouth Office as Assistant Secretaries.
2. The Authority affirms the appointment of Marcus Saldutti as OPRA Records Custodian and the appointment of Fred Cole as Ethics Liaison Officer.
3. The Authority approves the October 2016 – September 2017 Meeting Dates attached hereto.
4. 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: September 21, 2016

EXHIBIT 1

ADOPTED
September 21, 2016

Resolution Regarding
Staff Advisory Committee Membership Criteria

WHEREAS, the Authority has established four staff advisory committees: Environmental, Historical Preservation, Housing and Veterans; and

WHEREAS, these Committees (“Staff Advisory Committees” or “SAC”) were established to assist FMERA, such as by providing advice to FMERA staff on how best to move Fort Monmouth’s redevelopment effort forward within the context of their area of expertise; and

WHEREAS, while the SACs provide important insight and information to the staff for the benefit of the staff as it manages the issues associated with the redevelopment of the Fort property, there is no formal action taken at SAC meetings; and

WHEREAS, each SAC is chaired by a FMERA board member; however, the selection of the Historic Preservation SAC chair is deferred to allow time for the nomination and confirmation of a public member to the currently vacant position; and

WHEREAS, FMERA staff developed SAC membership criteria in 2012, which helped to standardize and focus experience and expertise requirements for prospective SAC members; and

WHEREAS, the objective is to ensure that FMERA has a knowledgeable and balanced SAC membership, capable of providing timely and sound advice to FMERA regarding the subject matter of the Committee.

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached Board memorandum, the Authority reaffirms the Staff Advisory Committee (SAC) membership criteria attached to the Board memorandum, selects the identified committee chairs, and authorizes the FMERA Executive Director and the SAC Chairs to fill the membership of each Committee accordingly, which membership shall be at the pleasure of the Board.

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: September 21, 2016

EXHIBIT 2

ADOPTED
September 21, 2016

Resolution Regarding
Approval of Dedicated Funding to Reimburse Two Rivers Water Reclamation Authority
for Design and Engineering of New Sanitary Sewer Infrastructure

WHEREAS, FMERA co-funded a study with Two Rivers Water Reclamation Authority (TRWRA) to develop a concept plan for a new sanitary sewer system to serve the Oceanport area of Fort Monmouth; and

WHEREAS, as part of the contract for the purchase of the Officer Housing parcel, RPM Development will install new sewer pipes within the property under contract, which represents a significant portion of the new system; and

WHEREAS, FMERA will be negotiating a Memorandum of Understanding (MOU) with TRWRA setting forth the obligations for the ultimate construction work of the new sewer system; and

WHEREAS, in order to expedite the installation the new sewer pipes in accordance with the new sewer system concept plan within the Officer Housing parcel, staff is recommending that up to \$230,000 from RPM's \$700,000 offsite infrastructure improvement funding and \$70,000 from the Office of Economic Adjustment (OEA) Grant be allocated to fund the design and engineering of the new sewer system; and

WHEREAS, the \$70,000 from the OEA Grant funds will be used for this initial deliverable with subsequent payments to be made upon closing with RPM and as additional deliverables are completed; and

WHEREAS, no funds will be reimbursed to TRWRA until a MOU is fully negotiated and approved by the Members of the Board at a subsequent meeting; and

WHEREAS, the Real Estate Committee has reviewed this request and recommends Board approval.

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached memorandum, the Board authorizes the dedication of up to \$300,000 to reimburse Two Rivers Water Reclamation Authority (TRWRA) for design and engineering of new sanitary sewer infrastructure as work is completed with \$70,000 of Office of Economic Adjustment (OEA) grant funds being allocated to reimburse TRWRA for the design and engineering work to construct a proposed new sanitary sewer system. 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. 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: September 21, 2016

EXHIBIT 3

**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

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

DATE: November 2, 2016

SUBJECT: Monthly Status Report

Summary

The following are brief descriptions of the Fort Monmouth Economic Revitalization Authority (FMERA) staff's monthly activities which include an Update on the Grant Application; Update on Meetings with Army Representatives; Update on Requests for Proposals (RFPs) and Other Contracts; Update on Requests for Offers to Purchase (RFOTPs); Update on Marketing Effort; and Action Items for Next Month.

Treasurer's Report**1. 2017 Budget Overview**

The budget process for 2017 is about to get underway. In the coming weeks, FMERA staff will hold budget sessions and begin drafting the 2017 FMERA Budget. The draft budget will then be forwarded to the Audit Committee for its review. The 2017 FMERA Budget is scheduled to be brought before the Board for its consideration and approval at the December Authority meeting.

2. Phase 2 Financing

FMERA staff and counsel participated in meetings and conference calls over the past month with representatives of the County of Monmouth and the Monmouth County Improvement Authority regarding FMERA's requested Phase 2 financing. A reimbursement resolution was approved by the Board at July's meeting. The balance of the financing documents are currently in preparation, and staff plans to seek Board approval shortly. The New Jersey Local Finance Board provided positive findings on August 10, 2016 with respect to MCIA's note sale, and the Monmouth County Board of Chosen Freeholders adopted a resolution guarantying the notes at their August 24, 2016 meeting.

Executive Director's Report**1. Update on Phase 2 Economic Development Conveyance (EDC)**

FMERA and the Army have concluded discussions on the impending transfer of the balance of the Main Post, to be accomplished under a Phase 2 Memorandum of Agreement (MOA). After



receiving support from the Board for the proposed terms negotiated by FMERA staff and Army representatives for the Authority's acquisition of the balance of the Main Post, staff submitted the Phase 2 Economic Development Conveyance (EDC) application on July 1, 2014, and it has been approved by the Army. At the April 2016 meeting of the Board, staff presented a substantially final form of the Phase 2 MOA, which the Board approved. The Army and FMERA are working toward a mid-November 2016 closing with the Army. The public comment period for the Phase 2 Finding of Suitability to Transfer (FOST), the Army's environmental history document, closed at the end of May, and the final Phase 2 FOST has been posted to the Army's digital repository at <http://www.pica.army.mil/FtMonmouth/>.

2. Update on RFPs and Contracts

The following is a summary of the status of RFPs and Contracts that FMERA has issued:

Auctioneer

The Auctioneer's Group is planning on some large auctions later this month once the Phase 2 property transfers.

Utilities

FMERA continues to plan for upgrades to utility systems, and to work with the public utilities and our subcontractors to ensure required utilities are safe and operational. The Oceanport Engineer, under an MOU between the Borough and FMERA, is completing work on design of a water main extension to accommodate the historic district development, the fitness center, FMERA offices and additional pending sales in the area surrounding the historic district. The draft plans should be delivered this week. FMERA is also discussing roadways, public rights of way and easements with the three Boroughs and the County of Monmouth. The transfer agreement for the Charles Wood Electrical system to JCP&L was approved at the April board meeting and is complete. This agreement will also serve as a template for a Phase 2 electrical agreement which is currently under discussion. FMERA is also working toward an MOU with Two Rivers Water Reclamation Authority to define the terms and responsibilities for the future maintenance and operation of the existing sanitary sewer system and the transition to a proposed new system serving the Oceanport area of the Fort.

Suneagles Golf Course

LINX Golf Management, FMERA's operator, reports –

The month of October will see increases across the board from last year. Month to date is up significantly. Rounds, membership, merchandise etc. Nothing but compliments from players regarding course conditions. Memberships are still available, for more information please contact Ken in the golf shop. Not sure what to get as a gift for that person? A Gift Certificate from the golf shop is your answer.

Routine maintenance on the course and equipment is underway for the entire month of October. Leaf removal and mulching has begun. Buttoning up all leaks on irrigation system prior to winterization in late Nov. Weekly spray applications of greens continue through mid Nov.

Had a few large fundraisers in Gibbs in the past month. Building is holding up with the exception of the ongoing leaks. As reported at our last meeting the membership drive is underway and we are pleased to announce that there will be no increase in membership rates for the next golf season. Members will receive 5 free guest passes.

Property Management/Maintenance

Our property management/maintenance team, Chenega Operations Services and the Army Caretakers have been busy keeping our property presentable and secure, and monitoring buildings and properties for current marketing purposes. We are now in the fall mode preparing for the heating season and clearing roof drains and gutters. FMERA is also preparing for the transition of maintaining the Phase 2 property when transferred to FMERA which includes executing the Phase 2 Property Management phase of our agreement with Chenega and making staffing plans. Thank you to the County Highway District, the Oceanport DPW, the Eatontown DPW and the Tinton Falls DPW for their help and support.

Marina

The Marina is gearing up for fall football season and continues to draw nice crowds.

3. Update on RFOTPs

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

In **Oceanport**, FMERA has executed contracts on 3 parcels:

- Officer Housing, consisting of 117 historic housing units, where RPM Development is the selected purchaser;
- Fitness Center, where FM Partners, LLC, is proposing to renovate and expand the facility;
- Russel Hall, the 40,000 square-foot former Garrison Headquarters building, to TetherView Property Management, LLC, a private cloud computing services company from New York.

At its August 2016 meeting, the Board authorized FMERA staff to execute a contract for the Dance Hall parcel. The Dance Hall is a 16,000 square-foot former recreation building on Brewer Avenue, planned for commercial and retail uses, including entertainment and restaurant purposes.

FMERA is in negotiations for the sale and redevelopment of the following 4 properties:

- Nurses Quarters, a 24-unit residential complex on Main Street adjacent to the former Patterson Army Hospital;
- Marina, currently approved for exclusive negotiations with AP Development Partners, LLC, and contemplated for a marina/public boat ramp and restaurant.
- Squier Hall Complex, an approximately 31-acre site currently under negotiations with the sole bidder, that is slated for office/research, institutional/civic (including educational) and open space/recreation uses. The future developer will be required to retain Squier Hall, which is listed on the National Register of Historic Places. Sale of the parcel, and all Phase 2 parcels, is contingent on the execution of the Phase 2 Economic Development Conveyance Agreement with the Army.
- Main Post Chapel, an approximately 16,372 square foot building on 5 acres that is slated for reuse as a house of worship. FMERA received one proposal to the Request for Bids on October 7, 2016 and is currently in discussions with the bidder.

FMERA has received Board approval to issue RFOTPs for several other properties in Oceanport, including Barker Circle, Allison Hall, and the Lodging Area.

In **Eatontown**, FMERA is in negotiations for the sale and redevelopment of 3 properties:

- Howard Commons on Pinebrook Road, zoned for up to 275 homes and up to 15,000 square feet of retail space, where FMERA is in negotiations with the lead proposer;

- Parcel B, an expanded parcel including up to 89 acres for a mixed-use town center along Route 35 to include approximately 250,000 square feet of retail space and 302 housing units, where Fort Monmouth Parcel B Redevelopment, LLC, has been approved for exclusive negotiations.
- Eatontown Barracks, 6 buildings on Semaphore Avenue on an approximately 4.4-acre parcel, where FMERA received one proposal for an arts/cultural center use. Upon review of the proposal by an independent evaluation committee for compliance with the RFOTP, FMERA will begin negotiations with the proposer.

FMERA issued an RFOTP for the Suneagles Golf Course on October 7, 2016. FMERA is seeking proposals for a use consistent with the plan, namely reuse of the Golf Course and construction of a hotel/conference center, or for an alternate use which includes the reuse of the Golf Course and up to 75 residential units within the 10-acre former Megill Housing area. Responses to the RFOTP are due by noon on December 7, 2016.

In **Tinton Falls**, FMERA closed on two properties this year:

- Building 2525, sold to RADAR Properties in February, which will lease the building to Aaski Technology and other tenants for technology and office uses;
- Child Development Center, sold to Trinity Hall in March, which will relocate the all girls high school to the site as their new home for the upcoming school year.

FMERA has executed contracts on another five projects:

- Parcels C and C1, with Lennar Corporation, approved for 288 residential units over the two parcels, and up to 58,000 square feet of retail development;
- Fabrications Shops (Pinebrook Road Commerce Center), 45,000 square feet of light industrial and flex office space buildings along Pinebrook Road for sale to Pinebrook Commerce Center, LLC;
- Pistol Range and Satellite Road Parcel, under contract with Kiely Realty Group for the reuse and upgrades to the former Pistol Range, and additional office and commercial uses on the combined approximately 5 acre parcel.
- Parcel F-3, the former gas station and convenience store along Hope Road, which the Monmouth County Park System will utilize in conjunction with the adjacent Recreation Center and Swimming Pool, to expand services and public open space amenities.
- Recreation Center and Swimming Pool, under contract to the Monmouth County Park System, is currently open to the public through a lease with the County.

FMERA is in negotiations for a contract related to the sale and redevelopment of the Charles Wood Fire Station, an approximately 4 acre parcel along Corregidor Road in the Tinton Falls Reuse Area. FMERA received 5 proposals to the RFOTP, and an independent evaluation committee scored those proposals and recommended FMERA begin negotiations with the highest scoring bidder. FMERA sought proposals to redevelop the site for civic/institutional or commercial/retail uses.

FMERA has also received Board approval to issue an RFOTP for Parcel F-2, and will evaluate options for issuing an updated RFOTP for Parcel F-1, which includes the Myer Center.

4. Marketing Update

FMERA and Cushman & Wakefield (Cushman), the Authority's Master Broker, continue to conduct several tours per week, as the Fort begins a new round of property sales with the transfer of the Phase 2 property. In addition, FMERA served as a community sponsor of the 2016 Asbury Agile event on October 7th, which brought together tech entrepreneurs, innovators and students for a day of discussions and informal networking that grew from the Jersey Shore Tech meetups. FMERA staff continues to research potential options for high-value technology buildings included in the Phase 2 property.

A pre-proposal conference related to the RFOTP for the Suneagles Golf Course was held on October 26 for interested proposers to learn more about the property and the uses FMERA will be seeking from responses. Any materials provided to attendees or questions received are now posted to FMERA's website as an addendum to the RFOTP.

Please refer to our website, www.fortmonmouthnj.com, for more information and to sign up for our monthly digital newsletters.

5. Action Items for Next Month.

- Continued work with the N.J. Department of Environmental Protection to identify and resolve environmental issues of concern
- Continued meetings and tours with interested prospective employers and investors
- Continued outreach to our stakeholders in the 3 host municipalities, the County and others
- Continued collaboration with the NJEDA Trenton Office on marketing and business development opportunities



Approved By: Bruce Steadman

Prepared by: Candice Valente

ADOPTED
November 2, 2016

**Resolution Regarding
Authorization for FMERA to Amend the Purchase and Sale Agreement and
Redevelopment Agreement with Lennar for Parcels C and C1**

WHEREAS, on March 26, 2013, FMERA issued and publicly advertised a Request for Offers to Purchase (RFOTP) for Parcel C, an approximately 39-acre lot, and a RFOTP for Parcel C1, a 12-acre lot, in connection with the planned redevelopment of Parcels C and C1 in Tinton Falls; and

WHEREAS, Lennar Corporation (Lennar) received the highest score for their proposal for Parcel C and the highest score for their proposal for Parcel C1, and Lennar also submitted the highest price proposals for both Parcel C and C1; and

WHEREAS, at the Authority's April 23, 2014 meeting, the Board authorized FMERA staff to enter into a Purchase and Sale Agreement and Redevelopment Agreement (PSARA) with Lennar; and

WHEREAS, the terms of the PSARA included Lennar's payment of \$12 million for Parcel C and \$3.2 million for Parcel C1; closing will occur within 30 days of satisfaction of the conditions precedent, which include Lennar completing due diligence and obtaining all approvals necessary to develop the project, receipt of a final remediation document from either the New Jersey Department of Environmental Protection or the purchaser's Licensed Site Remediation Professional, and an amendment to the Reuse Plan to accommodate the project; and

WHEREAS, the PSARA was executed on December 1, 2015 and Lennar subsequently began their due diligence activities, which required an expanded timeline extended through June 1, 2016 by the Executive Director; and

WHEREAS, additional environmental testing for Parcel C1 required the extension of the due diligence period until September 15, 2016; and

WHEREAS, negotiations with Lennar have lead to the attached amendment to the PSARA to make the following revisions: (1) the total \$2.28 million deposit is allocated as follows: \$1.8 million for Parcel C (i.e. 15% of the \$12 million purchase price allocated to Parcel C) and \$480,000 for Parcel C-1 (i.e. 15% of the \$3.2 million purchase price allocated to Parcel C-1); (2) the period for satisfying conditions precedent to closing is extended from 15 months to 18 months; and (3) Lennar's corporate approval for the Parcel C-1 transaction is confirmed as of September 15, 2016, thereby ending the due diligence period and beginning the approvals period for Parcel C-1; and

WHEREAS, the Real Estate Committee has reviewed this amendment and recommends that it be forwarded to the Board for approval.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the amendment to the Purchase and Sale Agreement and Redevelopment Agreement with Lennar Corporation for Parcel C and Parcel C1 in Tinton Falls, 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 amendment and take any necessary actions to effectuate the selection of Lennar Corporation as the purchaser of Parcel C and Parcel C1.

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: November 2, 2016
ATTACHMENT

EXHIBIT 1

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Fifth Amendment to Purchase and Sale & Redevelopment Agreement with Lennar for Parcels C & C1 in Tinton Falls

DATE: November 2, 2016

Request

I am requesting that the members of the Board approve the fifth amendment to the Purchase and Sale & Redevelopment Agreement (PSARA) with US Home Corporation, a wholly owned subsidiary of Lennar Corporation (Lennar) for Parcels C and C1 in the Tinton Falls Reuse Area.

Background

FMERA issued two Requests for Offers to Purchase (RFOTPs) in connection with the planned redevelopment of Parcels C and C1 in Tinton Falls on March 26, 2013. Lennar, a national homebuilding and real estate development company, submitted the highest scoring proposals for both Parcels C and C1. As the leading proposer for both Parcels C and C1, Lennar's submission was combined into a single PSARA. The proposals call for a total of 288 residential units, 20% of which will be affordable to low- and moderate-income households. At the Authority's April 23, 2014 meeting, the Board authorized staff to enter into exclusive negotiations with Lennar. The parties continued to negotiate beyond that date, and staff presented the fully negotiated business terms for Lennar's purchase and redevelopment of the property in August 2015.

Purchase and Sale & Redevelopment Agreement

The PSARA approved by the Board included the following terms, which remain unchanged:

Lennar will pay \$15.2 million for the property, reflecting the combined amount of its proposals for Parcels C and C1 (\$12 million and \$3.2 million, respectively). Pursuant to FMERA's June 25, 2012 Economic Development Conveyance Agreement with the Army, FMERA will receive 20% of the net sale proceeds from Parcel C and 37% of the net sale proceeds from Parcel C1, with the Army receiving the remainder. Closing will occur within 30 days of satisfaction of the conditions precedent to closing, which include: Lennar completing due diligence and obtaining all approvals necessary to develop the project; receipt of a final remediation document from

either the New Jersey Department of Environmental Protection or purchaser's Licensed Site Remediation Professional; an amendment to the Reuse Plan to accommodate the project; and the consent of the NJEDA Board. The parties will endeavor to satisfy these contingencies within 15 months of expiration of the due diligence period. Lennar will have the option of extending its 12-month time period for obtaining project approvals by an additional six months if it has not obtained them within the initial timeframe. FMERA will convey the property to Lennar in as-is condition, but with clear title and subject to the Army's on-going obligations under CERCLA to address any pre-existing contamination that may exist on the property. Parcel C1 contains two environmental carve-out areas that are still Army-owned. The Army is in the process of pursuing unrestricted No Further Action determinations from the New Jersey Department of Environmental Protection for these former septic fields. FMERA's closing with Lennar is also contingent on the Army's conveyance of these carve-out areas to FMERA free of any environmental restrictions.

The project will consist of the development of approximately 243 residential units (townhomes, stacked townhomes and/or apartments) and 58,000 sf of retail and other non-residential uses on Parcel C, and approximately 45 single-family detached homes on Parcel C1. Twenty percent of the 288 total residential units will be affordable homes, and will be located on Parcel C. FMERA and/or the Affordable Housing Alliance will have an option to acquire up to twenty of the affordable homes for use as permanent supportive housing units, as required by FMERA's legally binding agreement for the accommodation of special needs populations. Lennar will commence construction of the project no later than 60 days after closing, and complete construction within five years. Provided the purchaser is diligently pursuing completion of the project, Lennar shall have the right to extend the time period for completing the project for an additional three years. FMERA will have a right to repurchase the property if construction is not timely commenced or completed. The purchaser will also be obligated to create 35 permanent jobs at the property within five years of closing, or pay a penalty of \$1,500 for each job not created.

The PSARA was executed on December 1, 2015 and Lennar subsequently began their due diligence investigations. These investigations required more time and, under the Executive Director's discretion to administer the Board-approved PSARA, two amendments to the PSARA were executed, extending the due diligence investigations to June 1, 2016. Lennar identified additional environmental testing required for Parcel C1 related to its prior non-residential uses and a third amendment to the PSARA was approved in June to proceed with the redevelopment of Parcel C while environmental investigations continued on Parcel C1. This included the: (1) separation of the due diligence periods of Parcel C and Parcel C1; (2) renewal and extension of the Parcel C due diligence period through July 8, 2016; (3) renewal and extension of the Parcel C1 due diligence period for an additional 8 weeks, through August 10, 2016; (4) all time periods which run from the due diligence period were separated with respect to Parcel C and Parcel C1; and (5) in the event that its due diligence investigations caused Lennar to determine that Parcel C1 is not suitable for its intended use, Lennar had the ability to terminate the agreement with respect to Parcel C1 and proceed with the acquisition and redevelopment of Parcel C. The purchase price was to be allocated between Parcel C and Parcel C1 as proposed: \$12 million for Parcel C and \$3.2 million for Parcel C1. Should Parcel C1 have been terminated, the full deposit would have been applied against the purchase price for Parcel C at closing.

Lennar has completed the additional environmental testing requested for Parcel C1 and is ready to proceed with the development of both Parcel C and C1. In order to satisfy requirements for Lennar's corporate approval of the purchase, a proportional allocation of the deposit funds for each of the Parcels must be established.

Amendment


These negotiations between Lennar and FMERA have led to the attached amendment to the PSARA to make the following revisions: The total \$2.28 million deposit is allocated as follows: \$1.8 million for Parcel C (i.e. 15% of the \$12 million purchase price allocated to Parcel C) and \$480,000 for Parcel C-1 (i.e. 15% of the \$3.2 million purchase price allocated to Parcel C-1). The attached amendment also extends the period for satisfying conditions precedent to closing from 15 months to 18 months and confirms Lennar's corporate approval for the Parcel C-1 transaction as of September 15, 2016, thereby ending the due diligence period and beginning the approvals period for Parcel C-1.

All other material terms of the PSARA as presented to the Committee and the Board will remain unchanged. The attached Fifth Amendment to PSARA is in substantially final form. The final terms of the amendment will be subject to the approval of FMERA's Executive Director and the Attorney General's Office.

The Real Estate Committee has reviewed the attached amendment and recommends Board approval.

Recommendation

In summary, I am requesting that the Board approve the proposed third amendment to the PSARA with Lennar for Parcels C and C1 in Tinton Falls.


Bruce Steadman

Attachment: Fifth Amendment to Purchase and Sale & Redevelopment Agreement
Prepared by: Candice A. Valente and David E. Nuse

ATTACHMENT

[The attachment that the preceding memo refers to has been removed from this full agenda.]

ADOPTED
November 2, 2016

**Resolution Regarding
Authorization for FMERA to Amend the Purchase and Sale Agreement and
Redevelopment Agreement with RPM for the Officer Housing Parcel and to Negotiate a
Realignment of the Intersection of Gosselin and Saltzman Avenues**

WHEREAS, in January 2013, FMERA issued and publicly advertised a Request for Offers to Purchase (RFOTP) for the Officer Housing Parcel, in connection with the planned redevelopment of 36 acres in Oceanport; and

WHEREAS, an evaluation team scored the sole compliant proposal, from RPM Development, LLC (RPM), independently and recommended that FMERA proceed to exclusive negotiations with RPM, which the Board authorized at the April 2014 meeting; and

WHEREAS, the Board authorized FMERA staff to execute a Lease in Furtherance of Conveyance with the Army for the Officer Housing and enter into a sublease with RPM, all upon final terms acceptable to the Executive Director and Attorney General's Office, in order to enable RPM to apply for site plan and other approvals, and to obtain financing; and

WHEREAS, negotiations with RPM led to a substantially final PSARA, which was approved by FMERA's Board in April 2015; and

WHEREAS, the terms of the PSARA included RPM's payment of \$8,262,817 and contribution of \$1 million toward on- and off-site infrastructure obligations; closing will occur within 30 days of satisfaction of the conditions precedent, which include execution of a Phase 2 Economic Development Conveyance Agreement with the Army and FMERA's receipt of title from the Army; and

WHEREAS, the PSARA was executed on July 29, 2015 and RPM subsequently began their due diligence activities and secured several approvals; and

WHEREAS, FMERA staff is currently in discussions with RPM to prepare a final version of a Conditional Access Agreement and Infrastructure Agreement to present to the Board for its approval, which will detail the obligations of both the Purchaser (RPM) and Seller (FMERA) for utility upgrades and installations, as well as provide the access rights granted to the Purchaser to begin improvements to the buildings and land; and

WHEREAS, FMERA staff has also been in negotiations with the County of Monmouth in relation to the transfer of County Route 537/Avenue of Memories, which is adjacent to both the North and South Posts, and this will require a realignment of Saltzman Avenue and a reconfiguration of the intersection of Gosselin and Saltzman Avenues; and

WHEREAS, negotiations with RPM have lead to the attached amendment to the PSARA to make the following revisions: (1) the outside closing date is extended from December 1, 2016 to February 1, 2017; (2) should the relocation or realignment of the Avenue of Memories cause the County to seek an application for site approval from RPM, the approval period is extended an additional six months; and (3) any delays related to FMERA's utility and infrastructure obligations will be considered a Force Majeure in the project's timeline; and

WHEREAS, FMERA staff is also seeking the authority to negotiate the design of a reconfiguration of the intersection of Gosselin and Saltzman Avenues with RPM and the County, subject to the approval of the County Engineer, FMERA staff, and the Attorney General's Office, prior to December 1, 2016; and

WHEREAS, the Real Estate Committee has reviewed this request and recommends that it be forwarded to the Board for approval.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the amendment to the Purchase and Sale Agreement and Redevelopment Agreement with RPM Development for the Officer Housing Parcel in Oceanport, 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 amendment and take any necessary actions to effectuate the selection of RPM Development as the purchaser of the Officer Housing Parcel.

2. The Authority authorizes the Executive Director to negotiate the reconfiguration of the intersection of Gosselin and Saltzman Avenues adjacent to the Officer Housing Parcel in Oceanport, with final terms acceptable to the Executive Director and 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: November 2, 2016
ATTACHMENT

EXHIBIT 2

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Second Amendment to Purchase and Sale Agreement and Redevelopment Agreement with RPM for Officer Housing Parcel in Oceanport

DATE: November 2, 2016

Request

I am requesting that the members of the Board approve the second amendment to the Purchase and Sale & Redevelopment Agreement (PSARA) with RPM Development (RPM) for the Officer Housing Parcel in the Oceanport Reuse Area, and delegate FMERA staff the authority to negotiate a mutually agreeable realignment of the intersection of Gosselin and Saltzman Avenues.

Background

FMERA issued a Request for Offers to Purchase (“RFOTP”) in connection with the planned redevelopment of the Officer Housing Parcel in January 2013. The Officer Housing Parcel includes 117 historic residential units in single, duplex and four-plex configurations, surrounding and adjacent to the Parade Ground. Specifically, it consists of Gosselin Avenue non-commissioned officer residences and officer family housing units on Russel, Carty and Allen Avenues; the latter range in size from 3,700 to over 6,000 sf. The historic residential units are located on two parcels of 26.5 acres and 9 acres. The Fort Monmouth Reuse and Redevelopment Plan (“Reuse Plan”) calls for the housing to be reused as residential units. Also, the property is located within the Fort Monmouth National Register Historic District and redevelopment is restricted accordingly.

In accordance with FMERA’s Rules for the Sale of Real and Personal Property (N.J.A.C. 19:31C-2 et seq.) (the “Sales Rules”), an evaluation committee scored the sole compliant proposal independently and agreed that the proposal from RPM was compliant with the Reuse Plan, and recommended that FMERA proceed to exclusive negotiations. RPM, a New Jersey-based real estate development organization with over two decades of experience in historic and affordable housing development, submitted a proposal for 68 market-rate, for-sale units north of the Parade Ground (the “North Post”) and 48 rental units south of the Parade Ground (the “South Post”). The South Post units are proposed to be a mix of market-rate rentals and affordable rentals, with the affordable rentals meeting the project’s required 20% affordable housing set aside. RPM plans to restore the exteriors and renovate the interiors of the North Post and South Post homes, as well as providing landscaping. A recreational area is proposed for the North Post along Parker’s Creek.



After holding meetings with RPM representatives, FMERA staff recommended that FMERA enter into exclusive negotiations with RPM. At its meeting of April 2014, the FMERA Board authorized staff to enter into exclusive negotiations with RPM for a Purchase and Sale & Redevelopment Agreement (“PSARA”) pursuant to the RFOTP for the Officer Housing parcel. Additionally, at its May 2014 meeting, the FMERA Board authorized staff to: (i) execute a Lease in Furtherance of Conveyance with the Army for the Officer Housing Parcel; and (ii) enter into a sublease with RPM for the Officer Housing Parcel. The sublease was intended to enable RPM to apply for site plan and other approvals from the Borough of Oceanport, and to obtain financing in advance of closing. RPM has applied for and received site plan and subdivision approval from the Oceanport Planning Board for both the North and South Post, as well as a project authorization from the State’s Historic Preservation Officer for the South Post (the North Post application is currently under review). The FMERA Board subsequently extended RPM’s exclusive negotiations period through April 2015, at which time staff presented a substantially final PSARA with RPM to the Board for approval.

Purchase and Sale & Redevelopment Agreement

The PSARA approved by the Board included the following terms:

RPM will pay \$8,262,817 for the property and contribute an amount up to \$1,000,000 toward on- and off-site infrastructure obligations. Closing will occur within 30 days of satisfaction of the conditions precedent to closing, which include: execution of a Phase 2 Economic Development Conveyance Agreement between FMERA and the Army; FMERA’s acquisition of title from the Army; RPM completing due diligence and obtaining all approvals necessary to develop the project; receipt of a final remediation document from either the New Jersey Department of Environmental Protection or purchaser’s Licensed Site Remediation Professional; and the consent of the New Jersey Economic Development Authority’s Board. The parties will endeavor to satisfy these contingencies within six months of execution of the PSARA. RPM will have the option of extending the time period for obtaining project approvals for an additional six months if it has not obtained them within the initial six month timeframe. FMERA will convey the property to RPM in as-is condition, but with clear title and subject to the Army’s on-going obligations under CERCLA to address any pre-existing contamination that may exist on the property.

The purchaser will renovate the existing buildings in two phases: RPM will commence renovation of the North Post units no later than 90 days after closing, and complete construction no later than 68 months thereafter. The purchaser will commence renovations of the South Post no later than 30 days after it obtains project financing for that component, and complete construction no later than 18 months thereafter. The South Post project financing may include Low-Income Housing Tax Credits and historic tax credits, as well as conventional financing. The purchaser will also be obligated to create one full-time, on-site superintendent job to serve the South Post rental community upon completion of the South Post units.

The PSARA was executed on July 29, 2015 and RPM subsequently began their due diligence investigations and secured several approvals in order to proceed with the redevelopment as proposed.

Amendment

As a condition precedent to closing with RPM, the parties must negotiate and execute both a Conditional Access Agreement and Infrastructure Agreement. FMERA staff is currently in discussions with RPM to prepare a final version of these Agreements to present to the Board for its approval. The Agreements will detail the obligations of both the Purchaser (RPM) and Seller (FMERA) for utility

upgrades and installations, as well as provides the access rights granted to the Purchaser to begin improvements to the buildings and land.

FMERA has also been in negotiations with the County of Monmouth in relation to the transfer of County Route 537/Avenue of Memories, which is adjacent to both the North and South Posts. As part of that transfer, the County will be realigning a portion of the road adjacent to Gosselin Avenue in the South Post. This will require a reconfiguration of the intersection of Gosselin and Saltzman Avenues. Obligations related to this reconfiguration must also be negotiated.

The ongoing negotiations between RPM and FMERA have led to the need to amend the PSARA with the following revisions to material terms:


The outside closing date is extended from December 1, 2016 to February 1, 2017. Should the County's acquisition of the Avenue of Memories cause the County to require an application for site approval from RPM, the approval period is extended an additional six months. Any delays related to FMERA's utility and infrastructure obligations will be considered a Force Majeure in the project's timeline.

In addition, the amendment provides FMERA staff with the authority to negotiate the design of a realignment of Gosselin and Saltzman Avenues with RPM and the County, subject to the approval of the County Engineer, FMERA staff, and the Attorney General's Office, prior to December 1, 2016. It is anticipated that the realignment work will be completed within six (6) months of closing with RPM.

The attached amendment is in substantially final form. The final terms will be subject to the approval of FMERA's Executive Director and the Attorney General's Office. The Real Estate Committee has reviewed the request and recommends Board approval.

Recommendation

In summary, I am requesting that the Real Estate Committee recommend the Board approve the second amendment to the PSARA with RPM Development for the Officer Housing Parcel in the Oceanport Reuse Area, and delegate FMERA staff the authority to negotiate a mutually agreeable realignment of the intersection of Gosselin and Saltzman Avenues.


Bruce Steadman

Attachment: Second Amendment
Prepared by: Candice A. Valente and David E. Nuse

ATTACHMENT

[The attachment that the preceding memo refers to has been removed from this full agenda.]