

TO: Members of the Board

FROM: Bruce Steadman
Executive Director and Secretary

DATE: January 18, 2017

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. **Welcome – James V. Gorman, Chairman**
6. **Secretary’s Report**
7. **Treasurer’s Report**
8. **Public Comment Regarding Board Action Items**
9. **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
10. **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

11. **Board Actions**

- a. Consideration of Approval of Use-Type Variances for Parcel C in Tinton Falls
- b. Consideration of Approval of Memorandum of Understanding with Two Rivers Water Reclamation Authority for Survey and Design Work

12. **Other Items**

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

- Responses to questions submitted online or in writing

14. **Adjournment**

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

DATE: January 18, 2017

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 2016 Annual Report; 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**2016 Comprehensive Annual Report of the Authority**

FMERA staff is beginning to prepare the Authority's 2016 Annual Report for presentation to the Audit Committee with the audited financial statements, which serve as FMERA's comprehensive annual report to meet the requirements of Executive Order No. 37 (2006). It is expected that a draft report and statements will be available for review in mid-March, and finals presented to the Board in April.

The Authority's independent auditors, Clifton Larson Allen, will begin work on their audit of the Authority's operations in early February. The auditors will report on the Authority's financial statements and accompanying notes, as well as report on the Authority's internal controls and compliance in accordance with Government Auditing Standards and OMB Circular A-133. Field work will begin the week of February 27.

Executive Director's Report

1. **Update on Phase 2 Economic Development Conveyance (EDC)**
As reported last month, FMERA and the Army executed a Phase 2 Economic Development Conveyance (EDC) Agreement authorizing the transfer of the balance of the Main Post acreage. FMERA acquired title to the 563 acres from the Army on November 17, 2016. The transfer paved the way for FMERA to begin redevelopment of nearly one square mile of property in Eatontown and Oceanport, and enabled traffic to flow as of yesterday on the Avenue of Memories, also known

as County Route 537 Extension, for the first time since September 11, 2001. FMERA and the Army continue to have weekly conference calls regarding the approximately 40 carve-outs, totaling 100+ acres, that FMERA did not take title to. These 40 areas were carved out of the Phase 2 EDC transfer because they have ongoing environmental work. Army and the NJ Department of Environmental Protection (DEP) continue to work on the carve-outs with the goal of eventual transfer to FMERA when the environmental work is completed to the satisfaction of the NJ DEP.

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 finalizing the results for the December Auctions and working with the successful bidders to remove their purchases from the buildings. They have scheduled a large auction of the contents of two 45,000 sf warehouses for March 18. Plans are underway for a small lot general public auction on Saturday May 13, which will give individuals an opportunity to take home a piece of Fort Monmouth, be it memorabilia or a desk or a lamp. We are also planning an auction of the contents of the Lodging Area buildings which contain residential furniture.
- Utilities: FMERA is working with the Army contractor group to transfer all Phase 2 utility accounts to FMERA. A water main extension has been designed, under a Memorandum of Understanding (MOU) with the Borough of Oceanport, to serve a large part of the Phase 2 property. That application will be submitted to New Jersey American Water in the coming weeks. JCP&L has started to evaluate the Phase 2 electrical system in anticipation of the transfer from FMERA. Staff will present a recommendation to approve an MOU with Two Rivers Water Reclamation Authority for the survey and design work for replacement sewer system in the Oceanport section of the Fort.
- Suneagles Golf Course: Our operator reports that play has been slow due to the temperatures and snow, although the course reopened for play on January 12th, holding 43 rounds. Leaf removal and mulching, irrigation system and pump station winterization, and snow mold fungicide application in greens was completed. Two cup system on greens has been implemented as well as goose control.
- Property Management/Maintenance: Chenega Operations Services (COS) and the Army caretakers continue to monitor buildings and property for safety, security and marketing purposes. COS and FMERA staff are now in the process of shutting down utilities and draining buildings that are planned for demolition and adjusting temperatures in buildings to be reused in an attempt to reduce utility usage.
- Security Guard Services: FMERA issued an RFP for Security Services on December 9, 2016. Proposals were due January 9th and 5 proposals were received. Staff hopes to identify a successful bidder for approval at the February Board meeting.

3. Update on RFOTPs

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

In **Oceanport**, FMERA recently closed on the Officer Housing parcels on January 13th. RPM Development will be renovating the 117 historic housing units, creating 68 market-rate for sale units, and 48 rental units. Twenty (20%) percent of the rental units will be available to low- and moderate-income households. This closing marks the first residential project on the Fort, as well as the first Phase 2 property transaction.

Also in Oceanport, FMERA has executed contracts on 4 parcels:

- 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.
- Dance Hall, a 16,000 square-foot former recreation building on Brewer Avenue, to AP Development Partners, for commercial and retail uses, including entertainment and restaurant purposes.
- Main Post Chapel, an approximately 16,372 square foot building on 5 acres that is slated for reuse as a house of worship, under contract to Triumphant Life Church.

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;
- the Marina, currently approved for exclusive negotiations with AP Development Partners, LLC, and currently operating as 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.

On December 29th, FMERA issued two RFOTPs for the Lodging Area and Allison Hall. The Lodging Area RFOTP is seeking proposals for medium density residential, institutional/civic, and/or office/research development of the approximately 15-acre site. The Allison Hall RFOTP is seeking proposals to reuse the historic Allison Hall for a boutique hotel, as well as retail, office/research and open space/recreation uses in the approximately 13-acre parcel. Proposals that include both parcels in a comprehensive redevelopment project will receive additional points. Proposals in response to both RFOTPs are due on March 31.

FMERA received authorization from the Board to issue an RFOTP for Barker Circle, also in the historic district in Oceanport.

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 up to 350,000 square feet of retail space and other commercial 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. FMERA is in negotiations with the proposer and expects to present a recommendation to the Board shortly.

FMERA issued an RFOTP for the Suneagles Golf Course on October 7, 2016, and received four proposals on December 7. FMERA sought 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. An evaluation committee has been formed to begin scoring the proposals.

In **Tinton Falls**, FMERA has executed contracts on 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 of 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 with the lead bidder 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 has also received Board approval to issue an RFOTP for Parcel F-2, which includes Building 2719, and will evaluate options for issuing an updated RFOTP for Parcel F-1, the Myer Center site.

4. Marketing Update

FMERA and Cushman & Wakefield (Cushman), the Authority's Master Broker, continue to conduct several tours per week. FMERA will host an informational media event at the Marina in Oceanport next week, to provide members of the media with a chance to learn more about the Fort's next phase of redevelopment. Several contracted purchasers will be available to answer questions about their future projects and plans for redevelopment.

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
August 17, 2016

Resolution Regarding
Application for Use-Type Variances at Parcel C in Tinton Falls

WHEREAS, the FMERA Act, N.J.S.A. 52:27I-34(e), and the FMERA Land Use Rules, in N.J.A.C. 19:31C-3.21(b), grant FMERA sole and exclusive jurisdiction to grant certain use-type variances from the requirements of the Reuse Plan and Land Use Rules; and

WHEREAS, an application for use-type variances in relation to the development of Parcel C was submitted by Lennar Corporation, the contracted purchaser of Parcels C and C1 in Tinton Falls; and

WHEREAS, pursuant to the Land Use Rules, a public hearing was noticed and held at the FMERA offices on December 21, 2016; and

WHEREAS, a Hearing Officer has prepared a report based on the evidence presented and transcripts of the hearing, which includes the Hearing Officer's recommendations to the Board; and

WHEREAS, the Hearing Officer recommends that the Application for use-type variance approval pursuant to N.J.A.C. 19:31C-3.21(b)(1)(i) for the addition of an accessory drive-thru to an approved restaurant or cafe and a height variance for townhouses pursuant to N.J.A.C. 19:31C-3.21(b)(1)(v) be approved. However, the hearing officer recommends that the drive-thru variance pursuant to N.J.A.C. 19:31C-3.21(b)(1)(i) be limited to a café/coffee shop uses only and to continue the prohibition of an accessory drive-thru for any other restaurant; and

WHEREAS, FMERA staff recommends the adoption of the Hearing Officer's recommendations with the addition of the following definition of café/coffee shop: an informal restaurant primarily offering coffee, tea, and other beverages, and where light refreshments and limited menu meals may also be sold; and

WHEREAS, the attached report, evidence and transcript of the hearing includes the determinations made by the Hearing Officer to reach her recommendations in detail; and

WHEREAS, FMERA staff has reviewed the report and recommends Board approval of the recommendations.

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons articulated in the Hearing Officer's report and based on the evidence and transcript of the hearing, the Authority adopts the Hearing Officer's findings of fact contained in the attached report for the use-type variance application submitted by Lennar Corporation for Parcel C in Tinton Falls and incorporates and memorializes the findings of fact as if recited here.

2. For the reasons articulated in the Hearing Officer's report and based on the evidence and transcript of the hearing, the Authority adopts the Hearing Officer's recommendations contained in the attached report with the addition of the definition of café/coffee shop recited herein for the use-type variance application submitted by Lennar Corporation for Parcel C in Tinton Falls and incorporates and memorializes the adopted recommendations as if recited here.

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.

ATTACHMENT

Dated: January 18, 2017

EXHIBIT 1

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Transmittal of Hearing Officer Recommendation for Use-Type Variances for Parcel C in Tinton Falls

DATE: January 18, 2017

Request

I am requesting that the Board of Members approve the recommendations set forth in the report prepared by the public hearing officer in relation to the application for use-type variances submitted by the applicant for Parcel C in Tinton Falls, with an addition to include a definition for café/coffee shop as described below.

Background

The Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan) serves as the Plan for the redevelopment and revitalization of Fort Monmouth to be implemented by FMERA. FMERA's Land Use Rules, subsequently adopted in 2013, N.J.A.C. 19:31C-3 et seq. (Land Use Rules), grant the Authority the "sole and exclusive jurisdiction to grant, for special reasons shown, a variance from the requirements of the Reuse Plan or this subchapter to permit" specific use-type variances. In accordance with the Land Use Rules, prior to the Board approving a use-type variance, a public hearing must be held for the applicant to present evidence that granting of the variance will not substantially impair the intent and purpose of the Reuse Plan and the Land Use Rules, and that the variance can be granted without substantial detriment to the public good.

An application for use-type variances was submitted by Lennar Corporation, the contracted purchaser of Parcels C and C1 in Tinton Falls. Pursuant to the Land Use Rules, a public hearing was noticed and held at the FMERA offices on December 21, 2016. A Hearing Officer has prepared a report based on the evidence presented and transcripts of the hearing. The report includes the Hearing Officer's recommendations to the Board.

The Hearing Officer recommends that the Application for use-type variance approval pursuant to N.J.A.C. 19:31C-3.21(b)(1)(i) for the addition of an accessory drive-thru to an approved restaurant or cafe and a height variance for townhouses pursuant to N.J.A.C. 19:31C-3.21(b)(1)(v) be approved. However, the hearing officer recommends that the drive-thru variance pursuant to

N.J.A.C. 19:31C-3.21(b)(1)(i) be limited to a café/coffee shop uses only and to continue the prohibition of an accessory drive-thru for any other restaurant.

After review of the Hearing Officer's report, FMERA staff recommends that the Board adopt the Hearing Officer's recommendations with the addition of the following definition of a café/coffee shop: an informal restaurant primarily offering coffee, tea, and other beverages, and where light refreshments and limited menu meals may also be sold.

The attached report provides the determinations made by the Hearing Officer to reach her recommendation in detail.

Recommendation

I am requesting that the Board of Members approve the recommendations set forth in the report prepared by the Hearing Officer in relation to the application for use-type variances submitted by the applicant for Parcel C in Tinton Falls, with the addition described above.

Bruce Steadman

Prepared by: Candice Valente

TO: Members of the FMERA Board

FROM: Kara A. Kopach, Hearing Officer

COPY: Bruce Steadman, Executive Director

SUBJECT: Hearing Officer's Report and Recommendation
U.S. Home Corporation, d.b.a. Lennar
Borough of Tinton Falls
Part of Block 101, Lot 1
Parcel C: Bounded by Tinton Avenue, Municipal Drive and Corregidor Road
Use-Variance Approval Pursuant to N.J.A.C. 19:31C-3.21(b)(1)(i),
19:31C-3.21(b)(1)(v), and 19:31C-3.21(b)(1)(iv)

DATE: January 18, 2017

EXECUTIVE SUMMARY

On December 21, 2016, the Fort Monmouth Economic Revitalization Authority (the "Authority") heard testimony and public comment on the above-subject application. The Applicant, U.S. Home Corporation, d.b.a. Lennar (the "Applicant"), seeks approval for three use-type variances pursuant to N.J.A.C. 19:31C-3.21(b)(1)(i), N.J.A.C. 19:31C-3.21(b)(1)(v), and N.J.A.C.19:31C-3.21(b)(1)(iv) for its proposal to redevelop Parcel C on the Charles wood Section of Fort Monmouth. The existing parcel is bounded by Tinton Avenue, Municipal Drive and Corregidor Road. Specifically, the Applicant seeks a use-type variance pursuant to N.J.A.C. 19:31C-3.21(b)(1)(i) to permit a restaurant or café with an accessory drive-thru where drive-thru restaurants are prohibited pursuant to N.J.A.C. 19:31C-3.4(a)(1)(iii); a use-type variance pursuant to N.J.A.C. 19:31C-3.21(b)(1)(v) to permit the height of the proposed townhouses to be three (3) stories/forty-two (42) feet, where a maximum height of two and a half (2.5) stories/thirty-five (35) feet is permitted pursuant to N.J.A.C. 19:31C-3.5(c)(2)(i); and if necessary a use-type variance pursuant to 19:31C-3.21(b)(1)(iv) to permit floor area ratio (FAR) of .35 for a 1.25 acre of land in the 40 acre parcel which exceeds both the FAR permitted in the Tech Office/R&D Campus and the Town Center.

During the hearing, the Applicant presented adequate evidence and testimony to satisfy the requirements of the Authority's Reuse Plan and Land Use Rules for the grant of the requested relief for N.J.A.C. 19:31C-3.21(b)(1)(i) and N.J.A.C. 19:31C-3.21(b)(1)(v). The Hearing Officer evaluated the use-type variances per the criteria set forth in N.J.A.C. 19:31C-3.21(b)(7). The evidence and testimony demonstrated that the development proposal generally conforms to the site plan standards and technical requirements of the

Reuse Plan and the Land Use Rules of the Authority. The relatively minor deviations from Amendment #3 and FMERA's regulations to permit townhouses to move to habitable areas above the high-water table and to incorporate a drive thru cafe along Tinton Avenue enhance the Parcel redevelopment and promote the Reuse Plan and do not adversely impact the site or the surrounding community. Therefore, for the reasons more fully outlined below, the Hearing Officer recommends that the use-type variance application for N.J.A.C. 19:31C-3.21(b)(1)(i) and N.J.A.C. 19:31C-3.21(b)(1)(v) be approved by the Authority.

For the purposes of the use-type variance pursuant to 19:31C-3.21(b)(1)(iv) to permit floor area ratio (FAR) of .35 for a 1.25 acre of land in the 40-acre parcel proposed to be subdivided from such parcel at a later date and which exceeds both the FAR permitted in the Tech Office/R&D Campus and the Town Center, the Hearing Officer cannot recommend the Authority approve the use-type variance request at this time. Based on the evidence and testimony provided, the Hearing Officer finds that the FAR for the entire 40-acre parcel is compliant with the Reuse Plan and Land Use Rules and therefore a use-type variance is not required for a Parcel wide plan. However, the proposed site plan and subdivision plan submitted in connection with the application and depicting proposed future lots were not final nor definitive so the Hearing Officer cannot provide a finding that the proposed lots are FAR compliant, nor can the Hearing Officer agree to a use-type variance to allow for a FAR exceedance when the FAR exceedance is not definitively determined. Therefore, the Hearing Officer recommends the Authority abstain from voting on the FAR use-type variance.

INTRODUCTION

Application Information

U.S. Home Corporation, d.b.a. Lennar
Borough of Tinton Falls
Part of Block 101, Lot 1
Parcel C: Bounded by Tinton Avenue, Municipal Drive and Corregidor Road
Use-Variance Approval Pursuant to N.J.A.C. 19:31C-3.21(b)(1)(i), 19:31C-3.21(b)(1)(v),
and 19:31C-3.21(b)(1)(iv)
Zones include: Town Center, Hemphill Neighborhood & Tech/Office/R&D Campus

A hearing on the Application was conducted in accordance with the requirements of the N.J.A.C. 19:31C-3.26.

The Applicant seeks approval for three use-type variances pursuant to N.J.A.C. 19:31C-3.21(b)(1)(i), 19:31C-3.21(b)(1)(v), and 19:31C-3.21(b)(1)(iv) to facilitate its proposal to redevelop Parcel C on the Charles wood Section of Fort Monmouth.

Evidence List

- A-0 Application Packet
- A-1 Aerial Existing Condition Exhibit, prepared by Kimley-Horn
- A-2 Use Variance Application Exhibit – C-300, prepared by Kimley-Horn
- A-3 Conceptual Architectural Plan – A1.0 (Stacked townhome), prepared by Alberto & Associates.
- A-4 Conceptual Architectural Plan – A1.1 (townhome), prepared by Alberto & Associates
- A-5 Tinton Avenue/Retail Driveway Cross Section Exhibit, prepared by Kimley-Horn

- B-1 Planning Consultant Report by Elizabeth Leheny, AICP, P.P.

FINDINGS OF FACT

The Applicant seeks approval for three use-type variances pursuant to N.J.A.C. 19:31C-3.21(b)(1)(i), 19:31C-3.21(b)(1)(v), and 19:31C-3.21(b)(1)(iv) to facilitate its proposal to redevelop Parcel C on the Charles wood Section of Fort Monmouth.

The attorney for the Applicant, Peter Carton, Esq., introduced the application generally and provided background regarding the specific relief sought by the Applicant.

The Applicant presented the testimony of Tony W. Diggin, P.E., a licensed engineer, who was qualified as an expert in engineering. Mr. Diggin testified as to the proposed site plan development, including retail and residential site location, exterior elevations, floor area ratio (FAR) impact to the site, and the modification of the retail restaurant on Tinton Avenue to include an ancillary drive thru.

Mr. Diggin identified the variance relief sought in connection with the application. Specifically, the Applicant seeks a use-type variance pursuant to N.J.A.C. 19:31C-3.21(b)(1)(i) to permit a restaurant or café with an accessory drive-thru where drive-thru restaurants are prohibited pursuant to N.J.A.C. 19:31C-3.4(a)(1)(iii); a use-type variance pursuant to N.J.A.C. 19:31C-3.21(b)(1)(v) to permit the height of the proposed townhouses to be three (3) stories/forty-two (42) feet, where a maximum height of two and a half (2.5) stories/thirty-five (35) feet is permitted pursuant to N.J.A.C. 19:31C-3.5(c)(2)(i); and if necessary a use-type variance pursuant to 19:31C-3.21(b)(1)(iv) to permit floor area ratio (FAR) of .35 for a 1.25 acre of land in the 40 acre parcel which exceeds both the FAR permitted in the Tech Office/R&D Campus and the Town Center.

With respect to use-type variance N.J.A.C. 19:31C-3.21(b)(1)(i) to permit a restaurant or café with an accessory drive-thru where drive-thru restaurants are prohibited pursuant to N.J.A.C. 19:31C-3.4(a)(1)(iii), Mr. Diggin testified that while restaurants and cafes are a permitted use for this section of the Parcel on Tinton Avenue, the addition of a drive-thru to a restaurant or café on the site requires a use-type variance. Mr. Diggin testified this proposed drive-thru would be for a café and would occupy 2,100 sq. ft. or 3% of the roughly 70,860 sq. ft. non-residential use on the site. Mr. Diggin notes the requested drive-thru is

located between two (2) approved more intense drive thru uses (a bank and a pharmacy) on Tinton Avenue which is in the auto-dependent section of Parcel C. He indicates the Applicant was mindful of the impact to the surrounding neighbors on Tinton Avenue and so the location of the driveway to this drive thru was positioned in such a way to minimize the impact to the residences across the street. This includes having the cars face due south while waiting for orders to be processed at the drive thru. He testified it is the Applicant's intention to create a landscape berm two (2) to three (3) feet which will be planted with an evergreen screen as well as low-lying shrubs to further screen the drive thru and avoid negatively impacting the residential neighbors.

With respect to use-type variance N.J.A.C. 19:31C-3.21(b)(1)(v) to permit the height of the proposed townhouses to be three (3) stories/forty-two (42) feet where a maximum height of two and a half (2.5) stories/thirty-five (35) feet is permitted pursuant to N.J.A.C. 19:31C-3.5(c)(2)(i), Mr. Diggin testified that Applicant was seeking the seven (7) foot change in height due to the discovery of a high groundwater table during due diligence and therefore the developer had to eliminate the basement living space. To account for this lost living space, Mr. Diggin testified that the Applicant now seeks to build the additional seven (7) foot living space at grade. Mr. Diggin indicated that the proposed forty-two (42) height is in excess of the ten percent of the maximum permitted height of a townhouse but is consistent with the permitted forty-five (45) foot height for stacked flats on the site. Further, Mr. Diggin relayed that this use-type variance for height was not out of context with other buildings in the area and on adjacent parcels which include the CommVault campus with a Corporate Headquarters which reaches seventy feet (70) at the top of the mechanical screens and the adjacent F-1 Parcel which includes the Myers Center which stands between seventy (70) and eighty (80) feet. Finally, Mr. Diggin indicated that this change from below grade to grade living space does not impact the residential density of the parcel and therefore does not disturb the Authority's residential requirement for the Borough of Tinton Falls.

For the purposes of the use-type variance pursuant to 19:31C-3.21(b)(1)(iv) to permit floor area ratio (FAR) of .35 for a 1.25 acre of land in the 40-acre parcel proposed to be subdivided from such parcel at a later date and which exceeds both the FAR permitted in the Tech Office/R&D Campus and the Town Center, the Hearing Officer cannot recommend the Authority approve the use-type variance request at this time. Based on the evidence and testimony provided, the Hearing Officer finds that the FAR for the entire 40-acre parcel is compliant with the Reuse Plan and Land Use Rules and therefore a use-type variance is not required for a Parcel wide plan. However, the proposed site plan and subdivision plan submitted in connection with the application and depicting proposed future lots were not final nor definitive so the Hearing Officer cannot provide a finding that the proposed lots are FAR compliant, nor can the Hearing Officer agree to a use-type variance to allow for a FAR exceedance when the FAR exceedance is not definitively determined. Therefore, the Hearing Officer recommends the Authority abstain from voting on the FAR use-type variance.

The Applicant presented the testimony of Paul N. Ricci, AICP, P.P., who was qualified as an expert in the field of professional planning. Mr. Ricci described the location of the site, existing conditions and development proposal.

Mr. Ricci identified the variance relief sought in connection with the application. Specifically, the Applicant seeks a use-type variance pursuant to N.J.A.C. 19:31C-3.21(b)(1)(i) to permit a restaurant or café with an accessory drive-thru where drive-thru restaurants are prohibited pursuant to N.J.A.C. 19:31C-3.4(a)(1)(iii); a use-type variance pursuant to N.J.A.C. 19:31C-3.21(b)(1)(v) to permit the height of the proposed townhouses to be three (3) stories/forty-two (42) feet, where a maximum height of two and a half (2.5) stories/thirty-five (35) feet is permitted pursuant to N.J.A.C. 19:31C-3.5(c)(2)(i); and if necessary a use-type variance pursuant to 19:31C-3.21(b)(1)(iv) to permit floor area ratio (FAR) of .35 for a 1.25 acre of land in the 40 acre parcel which exceeds both the FAR permitted in the Tech Office/R&D Campus and the Town Center.

With respect to use-type variance N.J.A.C. 19:31C-3.21(b)(1)(i) to permit a restaurant or café with an accessory drive-thru where drive-thru restaurants are prohibited pursuant to N.J.A.C. 19:31C-3.4(a)(1)(iii), Mr. Ricci testified that this section of Parcel C near Tinton Avenue is the auto-dominant section of Parcel C and therefore is particularly suited for the proposed drive thru café because it is adjacent to two approved drive thru facilities and therefore conforms with the character of this section of the site. From a market perspective, Mr. Ricci noted a drive thru café is needed to adequately market that part of the site. Mr. Ricci testified that he believes that it will help overall tract development as a mixed-use smart growth concept. To mitigate impact to the surrounding neighbors, Mr. Ricci testified that the Applicant will ensure cars are oriented to the south while waiting for drive thru orders and berms will be added to minimize light impact. He indicated that landscaping would also be utilized to minimize the view of the parking area or circulation on the site and that due to these buffers, adjacent property owners would only really view the upper half/top of the drive-thru building. Mr. Ricci testified that the overall site's aesthetic and character would be maintained through the berms and landscaping. Further, Mr. Ricci testified that he believed that when the Reuse Plan was written and adopted, coffee drive thrus were not as common place as today and the addition of the drive thru would not impair the purpose and intent of the Reuse Plan. Mr. Ricci testified that the Applicant was not proposing a fast-food, hamburger joint or pizzeria. Instead, Mr. Ricci testified that Applicant's intention was to build a Starbucks, Dunkin Donuts or other coffee oriented drive through. Mr. Ricci addressed the public comments from Lou Miceli, CommVault's Senior Vice-President (an adjacent property owner) who expressed concern about a fast food drive thru by reiterating that it is not the Applicant's desire to construct a burger joint or the type of fast food restaurant but to have a more coffee-oriented use.

With respect to use-type variance N.J.A.C. 19:31C-3.21(b)(1)(v) to permit the height of the proposed townhouses to be three (3) stories/forty-two (42) feet where a maximum height of two and a half (2.5) stories/thirty-five (35) feet is permitted pursuant to N.J.A.C. 19:31C-3.5(c)(2)(i), Mr. Ricci testified that the Reuse Plan height requirements were to allow for appropriate light, air, open space and to regulate appropriate development. He noted that increasing the townhouses to forty-two (42) feet does not really change the

character of the development because the parcel is shared with forty-five (45) foot stacked townhouses and the townhouses are largely internalized to the tract overall. Mr. Ricci stated that the change in height does not change or impact adjacent developments because the surrounding developments include buildings upwards of seventy (70) feet to the east and to the south. Therefore, Mr. Ricci noted, the change still maintains the overarching character of the Redevelopment in that area. He testified that the change in height is not a substantial departure from the Reuse Plan and creates a more practical floor plan (at grade) for the residents. Due to the high-water table, Mr. Ricci noted the height change would eliminate the potential flooding on the property and the maintenance costs attributable to the individual property owners. Mr. Ricci indicated that the variance does not add additional floor space to each townhouse but simply preserves planned floor space by increasing the height after eliminating the basement living space. Mr. Ricci reiterated that the forty-two (42) foot townhouse height is in line with the current marketplace trends and therefore will not be out of character with this form of development.

With respect to use-type variance pursuant to 19:31C-3.21(b)(1)(iv) to permit floor area ratio (FAR) of .35 for a 1.25 acre of land in the 40-acre parcel which exceeds both the FAR permitted in the Tech Office/R&D Campus and the Town Center, Mr. Ricci testified that he did not believe that the FAR was an issue that required a use-type variance because the applicant essentially built what was requested and approved under Amendment #3 – Alternate Development Scenario of the Reuse Plan. He noted that future subdivisions on the site may reflect a FAR exceedance, but will not change the form, mass, density and intensity of the project as envisioned under the Reuse Plan. Mr. Ricci testified that the Applicant proposed the same amount of building area/floor area as anticipated in the Reuse Plan. Further, Mr. Ricci indicated that this site plan is clearly advancing the purposes of the Reuse Plan as part of this application and he does not see any substantial detriment to the public good, the surrounding property owners, existing zoning, or existing homes/structures from any of the use-type variances because it is not a substantial departure from the Reuse Plan and instead is almost 100% consistent in terms of layout and form. He testified that the plan changes are backed by the marketplace or changes in circumstances since the original Reuse Plan adoption and therefore, they are allowable and created to allow development in the Reuse Plan to move forward.

Elizabeth Leheny, AICP, P.P., was qualified as an expert in professional planning and provided testimony on behalf of the Authority. Ms. Leheny supported approval of the application for the drive thru café and increase in height for the townhouses.

CONCLUSIONS OF LAW

Use-Type Variance Approval

Pursuant to N.J.A.C. 19:31-3.21(b)(7), in determining whether to grant a request for a use-type variance, the Authority must determine, based upon the evidence presented by the Applicant and Authority's staff's recommendation, that:

1. Special reasons exist for the granting of the variance requested, including that the granting of the requested variance at the specified location will specifically and materially advance the planning objectives of the Reuse Plan and Land Use Rules.
2. The variance will not result in substantial detriment to the public good and will not adversely affect the public health, safety, morals, order convenience, prosperity, or general welfare; and
3. Adequate infrastructure, including storm and sanitary sewers, utilities and access roads, will be provided and shall be so designed to prevent and/or minimize negative impacts upon the existing infrastructure. In addition, the proposed use will not decrease the ability of said infrastructure to perform in a safe and efficient manner;
4. The variance will not have a substantial adverse environmental impact;
5. The variance will not substantially impair the intent and purpose of the Reuse Plan or the Land Use Rules; and
6. The granting of the variance will not be materially or detrimental or injurious to other property or improvements in the neighborhood of the subject property.

Variance Pursuant to N.J.A.C. 19:31C-3.21(b)(1)(i)

For variances requested pursuant to N.J.A.C. 19:31C-3.21(b)(1)(i), an applicant must demonstrate to the satisfaction of the Authority that special reasons exist for granting of such variance, that the granting of the requested variance will not substantially impair the intent and purpose of the Reuse Plan, and that the variance can be granted without substantial detriment to the public good.

The Applicant seeks a use- type variance pursuant to N.J.A.C. 19:31C-3.21(b)(1)(i) to permit a restaurant or café with an accessory drive-thru where drive-thru restaurants are prohibited pursuant to N.J.A.C. 19:31C-3.4(a)(1)(iii).

- 1. Special reasons exist for the granting of the variance requested, including that the granting of the requested variance at the specified location will specifically and materially advance the planning objectives of the Reuse Plan and Land Use Rules.**

The Authority is to grant a use variance only in particular cases and for special reasons. In this case, the Applicant seeks to insert an accessory drive-thru to a Reuse Plan approved 2,100 square foot restaurant or café on Tinton Avenue. The location of the restaurant or café is between two other Reuse Plan approved drive-thru facilities and is consistent with the auto-dominated section of this Parcel. At the time of the adoption of the Reuse Plan, café style drive thrus were less commonplace and Applicant is seeking for the Reuse Plan to be modified to include this marketplace driver.

In considering whether the purposes of the Reuse Plan and Land Use Rules are advanced by a showing of special reasons, the Hearing Officer concludes that the Applicant has

demonstrated that the application advances the purposes of the Reuse Plan by promoting the general welfare, promoting the free flow of traffic and creating a more marketable retail component on Tinton Avenue.

- 2. The variance will not result in substantial detriment to the public good and will not adversely affect the public health, safety, morals, order convenience, prosperity, or general welfare;**

If the Authority grants a use-type variance, the Applicant must have demonstrated to the Board that the granting of the requested variance will not substantially impair the intent and purpose of the Reuse Plan and will be without substantial detriment to the public good. Although restaurant and cafes with drive-thrus are not generally permitted, the proposed location of the café with drive thru along Tinton Avenue is particularly suited to the auto-oriented use. The proposed drive-thru uses, including the café, front on Tinton Avenue with speed of 40 miles an hour and a design speed of 45 miles an hour. Applicant balanced their development plan to focus auto-oriented retail on the Tinton Avenue section of the Parcel and pedestrian oriented retail near the Municipal Drive section of the Parcel. Further, permitting a drive-thru in connection with the café allows applicant to promote a healthier, more balanced concept to the site which further promotes the Reuse plan.

With regards to the use-type variance avoiding substantial public detriment, the drive thru café represents a relative small portion of the overall proposed retail space. The site would be located between two other Reuse Plan approved drive thru facilities and faces an auto-dominant roadway. Applicant will build landscaping and berms to avoid the impact of headlight glare on other property owners.

Due to the existing nature of Tinton Avenue, the setback of the high school and other residences in the area, along with Applicant's indication that the use will be limited to a café or coffee shop there is no substantial detriment to the public.

Here, the Hearing Officer concludes, based on the evidence and testimony, that the grant of the requested variance will not result in any substantial detriment to the public good and is not inconsistent with the intent and purpose of the Reuse Plan and Land Use Rules.

- 3. Adequate infrastructure, including storm and sanitary sewers, utilities and access roads, will be provided and shall be so designed to prevent and/or minimize negative impacts upon the existing infrastructure. In addition, the proposed use will not decrease the ability of said infrastructure to perform in a safe and efficient manner**

Here, the Hearing officer concludes, based on the evidence and testimony, that the grant of the requested variance will not result in any impact to the existing infrastructure nor will it decrease the ability of said infrastructure to perform in an efficient and safe manner.

- 4. The variance will not have a substantial adverse environmental impact**

Here, the Hearing officer concludes, based on the evidence and testimony, that the grant of the requested variance will not result in any substantial adverse environmental impact.

5. The variance will not substantially impair the intent and purpose of the Reuse Plan or the Land Use Rules

Applicant is seeking to add an accessory drive-thru to a Reuse Plan approved restaurant/café. The targeted location for the drive-thru is in between two other Reuse Plan permitted drive thrus and in close proximity to Tinton Avenue. It promotes the concept of a mixed-use development by focusing its placement in an auto-dominated area and avoids the pedestrian side of the development near Municipal Drive. Here, the Hearing officer concludes, based on the evidence and testimony, that the grant of the requested variance will not result in any substantial impairment of the intent and purpose of the Reuse Plan or the Land Use Rules. Instead, Hearing officer believes this variance promotes the Reuse Plan's intention of successful redevelopment.

6. The granting of the variance will not be materially or detrimental or injurious to other property or improvements in the neighborhood of the subject property.

As recognized in Amendment #3, the Property is located near the Tinton Falls Municipal Complex, near the CommVault development and along Tinton Avenue. The drive-thru café will be in close proximity to other auto-oriented uses which are approved under the Reuse Plan. While there was one concern from CommVault regarding the drive-thru being of a fast-food nature, Applicant addressed this concern both through written application and in expert testimony. If given approval for this use-type, applicant is seeking to put a café or coffee shop into the location not another version of a fast food establishment. Therefore, CommVault's concerns regarding a fast food establishment are addressed and resolved. Here, the Hearing officer concludes, based on the evidence and testimony, that the grant of the requested variance will not be materially detrimental to other property or improvements in the neighborhood of the Property.

Based on the analysis, the hearing officer recommends that this variance be limited to a café/coffee shop uses only and to continue the prohibition of an accessory drive-thru for any other restaurant.. With this limitation, the requested variance meets all of the criteria set forth in N.J.A.C. 19:31C-3.21(b)(7).

Variance Pursuant to N.J.A.C. 19:31C-3.21(b)(1)(v)

For variances requested pursuant to N.J.A.C. 19:31C-3.21(b)(1)(v), an applicant must demonstrate to the satisfaction of the Authority that special reasons exist for granting of such variance, that the granting of the requested variance will not substantially impair the intent and purpose of the Reuse Plan, and that the variance can be granted without substantial detriment to the public good.

The Applicant seeks a use-type variance pursuant to N.J.C.A. 19:31C-3.21(b)(1)(v) to permit the height of the proposed townhouses to be three (3) stories and forty-two (42) feet, where a maximum height of 2.5 stories and thirty-five (35) feet is permitted pursuant to N.J.A.C. 19:31C-3.5(c)(2)(i)

- 1. Special reasons exist for the granting of the variance requested, including that the granting of the requested variance at the specified location will specifically and materially advance the planning objectives of the Reuse Plan and Land Use Rules.**

The Authority is to grant a use variance only in particular cases and for special reasons. In this application, applicant seeks to increase the height of the townhouses by seven (7) feet. While this is a departure from the Reuse Plan and Land Use Rules, the height is consistent with the permitted height for stacked townhomes on the site.

The specific need for the additional seven (7) feet is directly related to the high-water table on the property. Applicant originally intended for the townhouses to have basements but now the basements were eliminated due to concerns with frequent flooding or the requirement of physical engineering controls. The original design would be considered energy inefficient and contrary to Leadership in Energy and Environmental Design (LEED) Principles. By moving the living space to grade, applicant removed burdensome costs from the home owner and maintained anticipated square footage and density.

In considering whether the purposes of the Reuse Plan and Land Use Rules are advanced by a showing of special reasons, the Hearing Officer concludes that the applicant has demonstrated that the application advances the purposes of the Reuse Plan by promoting the general welfare, promoting LEED principles, and maintaining anticipated living space and residential density on the site.

- 2. The variance will not result in substantial detriment to the public good and will not adversely affect the public health, safety, morals, order convenience, prosperity, or general welfare;**

If the Authority grants a use-type variance, the Applicant must have demonstrated that the granting of the requested variance will not substantially impair the intent and purpose of the Reuse Plan and will be without substantial detriment to the public good. Although the height of the townhouses will be increased, this will alleviate frequent flooding and water damage on and around the site. It will also reduce the need for engineering controls required for energy efficiency and maintenance. Allowing for the height increase allows for the living space in the townhouses to be maintained and allows the applicant to build the required residential units on the site. Further, the new height of the townhouses would still be shorter than the proposed stacked flats so the units will remain in accordance with Amendment #3.

Here, the Hearing Officer concludes, based on the evidence and testimony, that the grant of the requested variance will not result in any substantial detriment to the public good is not inconsistent with the intent and purpose of the Reuse Plan and Land Use Rules.

- 3. Adequate infrastructure, including storm and sanitary sewers, utilities and access roads, will be provided and shall be so designed to prevent and/or minimize negative impacts upon the existing infrastructure. In addition, the proposed use will not decrease the ability of said infrastructure to perform in a safe and efficient manner**

Here, the Hearing officer concludes, based on the evidence and testimony, that the grant of the requested variance will not result in any impact to the existing infrastructure nor will it decrease the ability of said infrastructure to perform in an efficient and safe manner. The Project proposal is consistent with the uses, infrastructure, and transportation plan set forth in Amendment #3.

- 4. The variance will not have a substantial adverse environmental impact**

Here, the Hearing officer concludes, based on the evidence and testimony, that the grant of the requested variance will not result in any substantial adverse environmental impact. In fact, the height variance will have an overall positive environmental impact by reducing interference with the water table and reducing the need for expensive and intrusive engineering controls.

- 5. The variance will not substantially impair the intent and purpose of the Reuse Plan or the Land Use Rules**

While this variance is a departure from the Reuse Plan and Land Use Rules, the new proposed height is consistent with the permitted height for stacked townhomes on the site. The townhouses still qualify as low density and will be constructed per the permitted density in Amendment #3. Therefore, the Hearing officer concludes, based on the evidence and testimony, that the grant of the requested variance will not result in any substantial impairment of the intent and purpose of the Reuse Plan or the Land Use Rules. Instead, Hearing officer believes this variance promotes the Reuse Plan's intention of successful redevelopment.

- 6. The granting of the variance will not be materially or detrimental or injurious to other property or improvements in the neighborhood of the subject property.**

As recognized in Amendment #3, the Property is located near the Tinton Falls Municipal Complex, near the CommVault development and along Tinton Avenue. The adjoining Parcels in this section of Charles wood have existing buildings which stand between seventy (70) and eighty (80) feet. Therefore, the Hearing officer concludes, based on the evidence and testimony, that the grant of the requested variance to increase the townhouse

height to forty-two (42) feet will not be materially detrimental to other property or improvements in the neighborhood of the Property.

Accordingly, the requested variance meets all of the criteria set forth in N.J.A.C. 19:31C-3.21(b)(7).

Variance Pursuant to 19:31C-3.21(b)(1)(iv)

Based on the evidence and testimony provided, the Hearing Officer finds that the FAR for the entire 40-acre parcel is compliant with the Reuse Plan and Land Use Rules and therefore a use-type variance is not required for a Parcel wide plan. Therefore, an analysis of this use-type variance is not necessary for this report.

For the purposes of the use-type variance pursuant to 19:31C-3.21(b)(1)(iv) to permit floor area ratio (FAR) of .35 for a 1.25 acre of land in the 40-acre parcel proposed to be subdivided from such parcel at a later date and which exceeds both the FAR permitted in the Tech Office/R&D Campus and the Town Center, the Hearing Officer cannot recommend the Authority approve the use-type variance request at this time. Based on the evidence and testimony provided, the Hearing Officer finds that the FAR for the entire 40-acre parcel is compliant with the Reuse Plan and Land Use Rules and therefore a use-type variance is not required for a Parcel wide plan. However, the proposed site plan and subdivision plan submitted in connection with the application and depicting proposed future lots were not final nor definitive so the Hearing Officer cannot provide a finding that the proposed lots are FAR compliant, nor can the Hearing Officer agree to a use-type variance to allow for a FAR exceedance when the FAR exceedance is not definitively determined. Therefore, the Hearing Officer recommends the Authority abstain from voting on the FAR use-type variance.

RECOMMENDATION

For all of the foregoing reasons, the Hearing Officer recommends that the Application for use-type variance approval pursuant to N.J.A.C. 19:31C-3.21(b)(1)(i) for the addition of an accessory drive-thru to an approved restaurant or cafe and a height variance for townhouses pursuant to N.J.A.C. 19:31C-3.21(b)(1)(v) be approved. However, the hearing officer recommends that the drive-thru variance pursuant to N.J.A.C. 19:31C-3.21(b)(1)(i) be limited to a café/coffee shop uses only and to continue the prohibition of an accessory drive-thru for any other restaurant.

The grant of approval of this Application shall be expressly conditioned upon the Applicant complying with all conditions of prior approvals, satisfying all representations made by the Applicant or by others on its behalf during the hearing on this matter before the Hearing Officer.

The grant of approval shall be further conditioned upon compliance with all applicable requirements of the FMERA Reuse Plan and Land use rules. Any approval granted in accordance herewith shall be further expressly conditioned upon the Applicant obtaining all other necessary governmental approvals, and compliance with all Federal, State and local laws.

ADOPTED
January 18, 2017

Resolution Regarding
Approval of Memorandum of Understanding with Two Rivers Water Reclamation Authority for Planning, Survey, and Design of New Sanitary Sewer Infrastructure

WHEREAS, in September 2016, the Board approved the dedication of up to \$300,000 to reimburse TRWRA for design and engineering of new sanitary sewer infrastructure as work is completed; and

WHEREAS, FMERA and TRWRA negotiated the attached Memorandum of Understanding (MOU), regarding the Design and Engineering Work for replacement sewer mains and effluent pumping system for the Oceanport section and which confirms that the Parties intend to work together to replace the existing sewer system in the Oceanport section of the former Fort Monmouth in order to prepare that area for redevelopment and reuse; and

WHEREAS, FMERA and TRWRA intend to negotiate a subsequent MOU to address the construction and installation of improvements for replacement sewer mains and effluent pumping system, subject to the approval of the FMERA Board; 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 execution of a Memorandum of Understanding with Two Rivers Water Reclamation Authority (TRWRA) for the planning, survey and design for a replacement sewer system for the portion of the former Fort Monmouth located within the Borough of Oceanport. 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: January 18, 2017

EXHIBIT 2

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Request to approve a Memorandum of Understanding between the Fort Monmouth Economic Revitalization Authority and the Two Rivers Water Reclamation Authority

DATE: January 18, 2017

Request

I am requesting Members of the Board of Directors' approval of a Memorandum of Understanding ("MOU") which will confirm the mutual understanding and intention between the Fort Monmouth Economic Revitalization Authority ("FMERA") and the Two Rivers Water Reclamation Authority ("TRWRA") regarding the interagency agreement for the planning (including preparation of all applications and associated, prerequisite environmental and engineering services), survey and design for a replacement sewer service for the portion of the former Fort Monmouth US Army military base located within the Borough of Oceanport.

Background

Governor Christie signed P.L. 2010 c. 51 on August 17, 2010 to create the Fort Monmouth Economic Revitalization Authority (FMERA or the Authority). The economies, environment, and quality of life of the host municipalities, Monmouth County, and the State will benefit from the efficient, coordinated, and comprehensive redevelopment and revitalization of Fort Monmouth.

At the September 21, 2016 Board meeting the Board approved 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 OEA grant funds being allocated to reimburse TRWRA for an initial deliverable to enable RPM to construct their section of the proposed system. This MOU confirms that the Parties intend to work together to replace the United States of America's (hereinafter "USA") "Local Sewer System" existing sewer system in the Oceanport section of the former Fort Monmouth US Army military base in order to prepare that area for redevelopment and reuse. The Parties enter into this MOU to reflect the mutual understanding of the Parties relative to the Design and Engineering Work (as defined in the MOU) for replacement sewer mains and effluent pumping system for the Oceanport section of the former

Fort Monmouth US Army military base.

The Parties intend to negotiate a subsequent Memorandum of Understanding to address the construction and installation of improvements for replacement sewer mains and effluent pumping system for the Oceanport section of the former Fort Monmouth US Army military base. The subsequent Memorandum of Understanding for construction and installation will be presented to the Members for approval before it is signed by FMERA.

The attached MOU is in substantially final form. The final document 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 of the MOU with TRWRA.

Recommendation

In summary, I am requesting Members of the Board of Directors' approval of a Memorandum of Understanding ("MOU") which will confirm the mutual understanding and intention between the Fort Monmouth Economic Revitalization Authority ("FMERA") and the Two Rivers Water Reclamation Authority ("TRWRA") regarding the interagency agreement for the planning (including preparation of all applications and associated, prerequisite environmental and engineering services), survey and design for a replacement sewer service for the portion of the former Fort Monmouth US Army military base located within the Borough of Oceanport.

Bruce Steadman

Prepared by: Rick Harrison