

TO: Members of the Board

FROM: Bruce Steadman
Executive Director and Secretary

DATE: September 20, 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**
 - Appointment of Secretary and Treasurer of the Authority by Chairman James V. Gorman
 - Appointment of Audit Committee and Real Estate Committee Members by Chairman James V. Gorman
 - Staff Review of Executive Session Minutes
7. **Treasurer’s Report**
8. **Public Comment Regarding Board Action Items**
9. **Executive Session: OPMA EXEMPTION N.J.S.A. 10:4-12b(5, 7):** Discussion of anticipated proceeds from pending or anticipated real estate contracts.
10. **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

11. **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 – Jay Coffey, Chairman
- Housing Staff Advisory Committee – Gina Fischetti, Chairwoman
- Veterans Staff Advisory Committee – Lillian Burry, Chairwoman

12. **Board Actions**

- a. Consideration of Approval of Organizational Matters
 - i. Assistant Secretaries of the Authority
 - ii. OPRA Records Custodian and Ethics Liaison
 - iii. Meeting Schedule for October 2016 – September 2017
- b. Consideration of Approval of Staff Advisory Committee Membership
- c. Consideration of Approval of Transmittal to Host Municipalities of Proposed Plan Amendment #9 Permitting Alternative Development Scenario in Eatontown
- d. Consideration of Approval of an Area in Need of Redevelopment Designation – Eatontown Section of Fort Monmouth.
- e. Consideration of Approval of a Purchase and Sale Agreement, Legally Binding Agreement and Administrative Letter with Family Promise for Building 501 in Oceanport.
- f. Consideration of Approval of Purchase and Sale Agreement & Redevelopment Agreement for Parcel B in Eatontown.
- g. Consideration of Approval of Sixth Amendment to Purchase and Sale Agreement & Redevelopment Agreement for Parcels C & C1 in Tinton Falls.
- h. Consideration of Approval of First Amendment to Purchase and Sale Agreement & Redevelopment Agreement for the Pistol Range in Tinton Falls.
- i. Consideration of Approval of a Purchase and Sale agreement for Parcel F-1 in Tinton Falls and Execution of a Note and Mortgage on the Property.
- j. Consideration of Approval of Authorization to Rollover Notes through the Monmouth County Improvement Authority in connection with FMERA's Purchase of the Phase 2 Properties.

13. **Other Items**

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

- Responses to questions submitted online or in writing

15. **Adjournment**

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

DATE: September 20, 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; 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. 2018 Budget Overview

The budget process for 2018 is about to get underway. In the coming weeks, FMERA staff will hold budget sessions and begin drafting the 2018 FMERA Budget. The draft budget will then be forwarded to the Audit Committee for its review. The 2018 FMERA budget is scheduled to be brought before the Board for its consideration and approval at the December meeting of the Authority. The FMERA By-Laws require that the Audit Committee meet 4 times per year. The Audit Committee has met 3 times in 2017, with the 4th meeting planned for December.

2. Update on Phase 2 Financing

FMERA staff and counsel participated in conference calls over the past month with representatives of the County of Monmouth and the Monmouth County Improvement Authority regarding the issuance of subsequent notes relating to the financing of FMERA's 2016 purchase of the Phase 2 EDC properties from the Army. As of the November 15, 2017 initial note maturity date, FMERA will have paid down approximately \$9.6 million in principal of the original \$33,525,000. At tonight's meeting, FMERA is requesting that the Board authorize the issuance of subsequent notes in an amount not to exceed \$26.5 million to cover the balance plus issuance costs and fees.

Executive Director's Report

1. Update on RFPs and Contracts

The following is an update on RFPs and Contracts that FMERA is currently working on:

- Auctioneer: The Auctioneer's Group held an auction on September 13th of the Lodging Area buildings located in Oceanport. Results of that auction will be provided to the Board shortly.

The next auction will be a small lot/memorabilia auction for the general public to be held on September 23rd. Flyers are available at the registration table for tonight's meeting. Please refer to The Auctioneer's Group website, www.theauctioneersgroup.com for more information.

- Utilities: Utility work is in high gear in the Officer Housing property in Oceanport, as RPM, in conjunction with NJ American Water and Two Rivers Water Reclamation Authority, begins work on upgrading water and sewer infrastructure in the South Post, with the North Post to follow shortly. The water main extension will also include a significant portion of the Main Post Historic District. The public should be prepared for potential temporary road closures along the Avenue of Memories in the coming weeks as the work progresses. We continue to be hopeful that we will be able to close on the Charles Wood substation with JCP&L very soon.
- Suneagles Golf Course: We expect to execute the agreement soon with Martelli Development, LLC for the eventual sale of the golf course. This agreement also will turn over operation of the golf course to Martelli after a 30-day notice to Linx Golf Management. Our sincere thanks to Linx for 6+ years of successful golf course operations.

2. Update on RFOTPs

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

In **Oceanport**, FMERA closed on the Russel Hall building and associated property on June 23rd. TetherView Property Management, LLC, a private cloud computing services company relocated from New York to the 40,000 square-foot former Garrison Headquarters building. The company has been occupying the building under a lease prior to the closing, and have already completed extensive renovations for new and current tenants. This is the third closing in Oceanport this year. FMERA closed on the Main Post Chapel on February 27th, where Triumphant Life Assembly of God Church purchased the approximately 16,372 square foot building for use as a house of worship, and opened its doors in time for Easter Sunday services. FMERA also closed on the Officer Housing parcels on January 13th with RPM Development. The company is renovating the 117 historic housing units, creating 68 market-rate for sale units, and 48 rental units; twenty (20%) percent of the total units will be available to low- and moderate-income households. FMERA and the Borough of Oceanport are working towards a closing on the 13-acre municipal complex located on Murphy Drive in the Oceanport section of the Fort.

Also in Oceanport, FMERA has executed contracts on 2 parcels:

- Fitness Center, where FM Partners, LLC, is proposing to renovate and expand the facility, and received site plan approval from the Oceanport Planning Board last month. FMERA expects to close with the purchaser this month; and
- 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.

FMERA is in negotiations for the sale and redevelopment of the following 6 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, where the RFOTP called for office/research, institutional/civic (including educational) and/or open space/recreation uses. The future developer will be required to retain Squier Hall, which is listed on the National Register of Historic Places;
- Lodging Area, a 15-acre site located on Parkers Creek currently under negotiations with the lead bidder, where the RFOTP called for medium density residential, institutional/civic and/or office/research & development uses;
- Allison Hall, where FMERA is in negotiations with the sole compliant bidder for the 13-acre parcel which includes the reuse of the historic building, as well as retail, office/research & development and open space/recreation uses; and
- Building 501, an approximately 1.7-acre site identified for conveyance to Family Promise of Monmouth County via a Legally Binding Agreement (LBA). Staff will present the finalized LBA, a supporting Administrative Letter and a Purchase and Sale Agreement with the company for Board approval at tonight's meeting.

On March 8th, FMERA issued an RFOTP for Barker Circle, also in the historic district in Oceanport. The RFOTP sought proposals for the repurposing of all of the Barker Circle buildings for residential, office/research & development, institutional and/or health care related uses. FMERA indicated it would accept proposals that included alternate uses for the former Fire House and Kaplan Hall to include office/research & development, retail or other commercial uses, as well as a museum or arts center use in Kaplan Hall, as originally called for in the Reuse Plan. Proposals were due by June 2, 2017, and five proposals were received. An evaluation committee has evaluated the proposals and plans to begin discussions with the lead bidder shortly.

In **Eatontown**, FMERA is in the process of executing a contract with Fort Monmouth Parcel B Redevelopment, LLC, for the expanded Parcel B property, which includes up to 89 acres for a mixed-use town center along Route 35. The PSARA calls for the development of approximately 350,000 square feet of retail, 40,000 sf of office space, and 302 housing units. Staff will be presenting a recommendation to the Board at tonight's meeting to approve a revised PSARA that addresses new equity partners that will support the project.

Also in Eatontown, FMERA has executed contracts on 2 parcels:

- Howard Commons, where American Properties at Monmouth, LLC, plans to build up to 251 residential units on approximately 64 acres on Pinebrook Road. American Properties will first be responsible for demolishing the existing housing units on the property; and
- Eatontown Barracks, 6 buildings on Semaphore Avenue on an approximately 4.4-acre parcel, where FMERA entered into a PSARA with Kenneth Schwartz for the development of a commercial arts-related project, including studio, performance and gallery space, as well as short-term residential units for artists; and
- Suneagles Golf Course, where the Board approved a PSARA with Martelli Properties, LLC, to maintain and upgrade the existing Golf Course, renovate historic Gibbs Hall, and construct 75 new housing units. Martelli Properties will continue to operate the course in the interim so it can remain open to the public as the redevelopment progresses; and
- Bowling Center, the approximately 17,600 square foot, twenty lane bowling alley on Saltzman and Wilson Avenues, that the Board approved for sale and ground lease to Fort Monmouth B.E.C., LLC at its Special August Board meeting.

Staff is in discussions with the Borough of Eatontown for potential reuse of Building 1123, a former general office building at Saltzman and Wilson Avenues, by the Borough's Department of Public Works. Staff expects to present a recommendation to the Board at an upcoming meeting.

In **Tinton Falls**, FMERA closed on Parcel F-3 on February 23rd. The Monmouth County Park System purchased the property to develop in conjunction with the adjacent Fort Monmouth Recreation Center and Swimming Pool. The former gas station and convenience store site, located along Hope Road, will allow the County to expand services and public open space amenities currently offered at the Recreation Center.

FMERA has executed contracts on another four projects in Tinton Falls:

- 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, which is scheduled to close later this month;
- Pistol Range and Satellite Road Parcel, under contract with Kiely Realty Group for the reuse and upgrading of the former Pistol Range, and additional office and commercial uses on the combined approximately 5-acre parcel. Staff will present a recommendation for Board approval of an amendment to the PSARA with Kiely in relation to roadway construction adjacent to the property; and
- Recreation Center and Swimming Pool, under contract to the Monmouth County Park System, which 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.

On June 26, the New Jersey Economic Development Authority (NJEDA) issued an invitation to bid on the abatement, demolition and site improvements for the former Myer Center and the adjacent building 2705. Bids were due on July 28th and 9 bids were received. NJEDA reviewed the submitted bids and has selected a company to provide remediation and demolition services. Staff will be presenting a recommendation to the Board tonight to approve a Purchase and Sale Agreement with NJEDA for the approximately 36-acre parcel in order to begin the work.

3. Marketing Update

FMERA is pleased to announce the kick-off of its work with The Riddle Team, comprised of The Riddle Company, EMI Strategy and Return on Investment, Inc., to serve as the Real Estate Marketing Consultant. The Riddle Team will provide lead generation and prospect sourcing, and assist with placemaking and media and publicity exposure.

On September 12th, staff attended the NJ Tech Council's Silicon Shore Networking Event, hosted by Vi Collaboration Hubs at Russel Hall. The focus of the event was the emerging tech community at Fort Monmouth and was well-attended by local entrepreneurs. On October 4th, TetherView will also welcome the Monmouth-Ocean Development Council's Technology/Education Committee for its "Drones for Business" event.

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

4. 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

DRAFT

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 2017 – September 2018 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 Manager of Planning & Development and the Office Administrative Manager 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 2017 – September 2018 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 20, 2017

EXHIBIT 1

MEMORANDUM

TO: Members of the Board

FROM: James V. Gorman
Chairman

DATE: September 20, 2017

SUBJECT: Annual Meeting

The Fort Monmouth Economic Revitalization Authority's By-Laws provide that an annual reorganization meeting be held in September of each year. Although one of the purposes of this meeting is to elect a Vice-Chairperson of the Authority for the coming year, at this time a public member position remains vacant. Because the nomination and confirmation process takes time, I am proposing deferring the election of a Vice-Chairman to allow for the position to be filled.

The By-Laws of the Authority also provide for the appointment of one or more Assistant Secretaries. Specifically, the By-Laws state that the Authority may by resolution appoint one or more Assistant Secretaries and provides them with the power to perform any and all duties as Secretary, by request of the Secretary or if he is absent or disabled. Therefore, I am hereby recommending re-appointing Candice Valente, Manager of Planning & Development; as an Assistant Secretary; and I am recommending appointing Regina McGrade, Office Administrative Manager as an Assistant Secretary.

I am also asking the Board to reaffirm the appointment of Marcus Saldutti as OPRA Records Custodian and the appointment of Fred Cole as Ethics Liaison Officer.

In addition, attached is a proposed schedule of the monthly Board meetings for October 2017 – September 2018.

Therefore, I am seeking your approval for the following actions: 1) Appointment of Assistant Secretaries, 2) the reaffirmation of OPRA Records Custodian and Ethics Liaison Officer, and 3) monthly Board meeting schedule.

James V. Gorman, Chairman

ATTACHMENT

FORT MONMOUTH ECONOMIC REVITALIZATION AUTHORITY
2017-2018 Board Meeting Calendar

DATE	TIME	LOCATION
Wednesday, October 18, 2017	7:00 PM	FMERA Office 502 Brewer Avenue Oceanport, NJ 07757
Wednesday, November 15, 2017	7:00 PM	FMERA Office 502 Brewer Avenue Oceanport, NJ 07757
Wednesday, December 20, 2017	7:00 PM	FMERA Office 502 Brewer Avenue Oceanport, NJ 07757
Wednesday, January 17, 2018	7:00 PM	FMERA Office 502 Brewer Avenue Oceanport, NJ 07757
Wednesday, February 21, 2018	7:00 PM	FMERA Office 502 Brewer Avenue Oceanport, NJ 07757
Wednesday, March 21, 2018	7:00 PM	FMERA Office 502 Brewer Avenue Oceanport, NJ 07757
Wednesday, April 18, 2018	7:00 PM	FMERA Office 502 Brewer Avenue Oceanport, NJ 07757
Wednesday, May 16, 2018	7:00 PM	FMERA Office 502 Brewer Avenue Oceanport, NJ 07757
Wednesday, June 20, 2018	7:00 PM	FMERA Office 502 Brewer Avenue Oceanport, NJ 07757
Wednesday, July 18, 2018	7:00 PM	FMERA Office 502 Brewer Avenue Oceanport, NJ 07757
Wednesday, August 15, 2018	7:00 PM	FMERA Office 502 Brewer Avenue Oceanport, NJ 07757
Wednesday, September 19, 2018	7:00 PM	FMERA Office 502 Brewer Avenue Oceanport, NJ 07757

Please note that all meeting dates, times and locations are subject to change.



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; 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 20, 2017

EXHIBIT 2

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman

DATE: September 20, 2017

SUBJECT: Staff Advisory Committee Membership Criteria

Request

The Fort Monmouth Economic Revitalization Authority (FMERA) staff is asking that the Board of Members reaffirm the Staff Advisory Committee (SAC) membership criteria, and authorize the FMERA Executive Director to work with the SAC Chairs to fill or reappoint the membership of each committee accordingly.

Background

The four (4) Staff Advisory Committees (SAC) are Environmental, Housing, Veterans, and Historical Preservation. The SACs were established to assist FMERA, such as by providing advice to the FMERA staff. The Committees are charged with making recommendations to staff on how best to move Fort Monmouth's redevelopment effort forward within the context of their area of expertise. Each SAC is chaired by a FMERA board member and is made up of selected members of the community impacted by the closing of Fort Monmouth. 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. Meetings are scheduled by the FMERA staff in consultation with the SAC Chairs, the frequency and timing of which is to be determined based on specific issues confronting the staff in each of the subject areas.

In 2012 FMERA staff developed SAC membership criteria, which helped to standardize and focus experience and expertise requirements for prospective SAC members. The objective is to ensure that FMERA has a knowledgeable and balanced SAC membership, capable of providing timely and sound advice to the FMERA staff regarding the subject matter of the committee. It is important that subject matter experts, and parties involved in various segments of the community and marketplace, participate on the committees, to give FMERA staff access to current and creative thinking in each of the SAC subject matter areas.

Attached hereto is a description sheet for each of the four SACs, including a mission statement.

Recommendation

In summary, the FMERA staff is asking that the Board of Members reaffirm the Staff Advisory Committee (SAC) membership criteria, and authorize the FMERA Executive Director to work with the SAC Chairs to fill or reappoint the membership of each committee accordingly, which membership shall be at the pleasure of the Board.

Bruce Steadman

Prepared by: Bruce Steadman

DRAFT

Environmental Staff Advisory Committee
Mission Statement

The Environmental Staff Advisory Committee will serve in an advisory role to the FMERA staff and board. Members of the Committee will review and discuss environmental issues related to the closing of Fort Monmouth. The Environmental Staff Advisory Committee will be charged with recommending how best to move Fort Monmouth's redevelopment effort forward within the context of their area of expertise.

The Committee will be made up of at least one board member, as well as select members of the public who have knowledge and expertise in the committee's subject matter. The Staff Advisory Committee will be chaired by a member of the FMERA Board and will have at least one member of the Authority's staff assigned to it. The Committee Chair will regularly provide reports to the FMERA Board based on the Committee's findings.

Chair: Commissioner of Environmental Protection (Kenneth J. Kloo as the current designee)

Category

- representing Tinton Falls
- representing Oceanport
- representing Eatontown
- representing County
- university or college educator by trade
- contractor or developer by trade
- real estate professional
- national advocacy group

Historical Preservation Staff Advisory Committee
Mission Statement

The Historical Preservation Staff Advisory Committee will serve in an advisory role to the FMERA staff. Members of the Committee will review and discuss historical preservation issues related to the redevelopment of Fort Monmouth. The Historical Preservation Staff Advisory Committee will be charged with recommending how best to move Fort Monmouth's redevelopment effort forward within the context of their area of expertise.

The Committee will be made up of at least one board member, as well as select members of the public who have knowledge and expertise in the committee's subject matter. The Staff Advisory Committee will be chaired by a member of the FMERA Board and will have at least one member of the Authority's staff assigned to it. The Committee Chair will regularly provide reports to the FMERA Board based on the Committee's findings.

Chair: Mayor Jay Coffey

Category

- representing Tinton Falls
- representing Oceanport
- representing Eatontown
- representing County
- university or college educator by trade
- contractor or developer by trade
- real estate professional
- national advocacy group

Housing Staff Advisory Committee
Mission Statement

The Housing Staff Advisory Committee will serve in an advisory role to the FMERA staff. Members of the Committee will review and discuss housing issues related to the closing of Fort Monmouth. The Housing Staff Advisory Committee will be charged with recommending how best to move Fort Monmouth's redevelopment effort forward within the context of their area of expertise and guidelines potentially imposed by state mandates.

The Committee will be made up of at least one board member, as well as select members of the public who have knowledge and expertise in the committee's subject matter. The Staff Advisory Committee will be chaired by a member of the FMERA Board and will have at least one member of the Authority's staff assigned to it. The Committee Chair will regularly provide reports to the FMERA Board based on the Committee's findings.

Chair: Commissioner of Community Affairs (Gina Fischetti as the current designee)

Category

- representing Tinton Falls
- representing Oceanport
- representing Eatontown
- representing County
- university or college educator by trade
- contractor or developer by trade
- real estate professional
- national advocacy group

FMERA Veterans Staff Advisory Committee
Mission Statement

The Veterans Staff Advisory Committee will serve in an advisory role to the FMERA staff. Members of the Committee will review and discuss veterans issues related to the closing of Fort Monmouth. The Veterans Staff Advisory Committee will be charged with recommending how best to move Fort Monmouth's redevelopment effort forward within the context of their area of expertise.

The Committee will be made up of at least one board member, as well as select members of the public who have knowledge and expertise in the committee's subject matter. The Staff Advisory Committee will be chaired by a member of the FMERA Board and will have at least one member of the Authority's staff assigned to it. The Committee Chair will regularly provide reports to the FMERA Board based on the Committee's findings.

Chair: Lillian Burry

Category

- representing Tinton Falls
- representing Oceanport
- representing Eatontown
- representing County
- university or college educator by trade
- contractor or developer by trade
- real estate professional
- national advocacy group

ADOPTED
September 20, 2017

Resolution Regarding
**Transmittal to Host Municipalities of Proposed Ninth Plan Amendment Permitting
Alternative Development Scenario in Eatontown**

WHEREAS, the FMERA Act, P.L. 2010, c.51, in N.J.S.A. 52:27I-26(c), and the Land Use Rules, in 19:31C-3.27(c), authorize FMERA to amend the plan from time to time as development progresses; and

WHEREAS, pursuant to the Land Use Rules, FMERA must transmit any proposed Reuse Plan amendment to the governing body of the three municipalities for a 45-day comment period and then consider any comments prior to the Board approving or disapproving the amendment; and

WHEREAS, the Reuse Plan envisions the redevelopment of the Eatontown Reuse Area for approximately 1.96 million square feet of non-residential uses and 577 residential units; and

WHEREAS, the redevelopment of the Eatontown Reuse Area included development of a conference hotel and golf course, a lifestyle mixed-use center/technology incubator campus and municipal complex, and expansive green space including the Suneagles golf course; and

WHEREAS, the proposed Amendment #9, prepared by the Authority's contracted professional planner Phillips Preiss Grygiel, encompasses approximately 12 acres in the Eatontown Reuse Area, a 4.2-acre parcel known as the Barracks Parcel, and an approximately 7.5-acre parcel that includes Building 1123; and

WHEREAS, the Reuse Plan envisioned the demolition of all of the buildings on these two parcels and the preservation of open space; and

WHEREAS, the land uses proposed in Amendment #9 include the reuse of Buildings 1102-1107, totaling approximately 24,780 square feet, for commercial arts-related uses, including studio, performance and gallery space, as well as up to 12 short-term residential units for artists, and the civic/institutional reuse of an administrative building, known as Building 1123, by the Borough of Eatontown as a public works facility; and

WHEREAS, the proposed amendment maintains Soldiers Park as open space, an approximately 1.5-acre park located on Saltzman Avenue/Avenue of Memories, and maintains open space adjacent to Wampum Brook, which runs through the 7.5-acre parcel containing Building 1123; and

WHEREAS, staff has reviewed the proposed Amendment #8 with regard to the criteria for reviewing a proposed amendment and reached the following conclusions: (1) this

Amendment does not change the total number of residential units planned in Eatontown; (2) this Amendment affects only the Eatontown Reuse Area, and the arts-related development at the Barracks Parcel will contribute to the creation of a vibrant, mixed-use community envisioned for the Eatontown reuse area at the Main Post, and the civic use of Building 1123 will provide a public service that will benefit all properties within Eatontown; (3) this Amendment would maintain the overarching land use concepts, objectives and principles of the Reuse Plan; (4) this Amendment is consistent with the Authority's BRAC obligations and the negotiations related to the Phase 2 Economic Development Conveyance Agreement with the Army; and (5) this Amendment includes changes to circulation envisioned in the Reuse Plan to improve access to the southern portion of the Eatontown area of the Fort; and

WHEREAS, the Real Estate Committee has reviewed the proposed plan change Amendment #9, and recommends approval of the transmittal of the proposed amendment to the governing body of each host municipality.

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached memorandum, the Authority approves the transmittal to the governing body of each of the three host municipalities of the proposed attached Amendment #9 to the Fort Monmouth Reuse and Redevelopment Plan that would permit an alternative development scenario in the Eatontown Reuse Area.

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 20, 2017

EXHIBIT 3

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Approval of Transmittal to Host Municipalities of Proposed Plan Amendment #9
Permitting Additional Development Scenarios in Eatontown

DATE: September 20, 2017

Request

I am requesting the Members' recommendation of Board approval of the transmittal to the three host municipalities of the proposed Amendment #9 to the Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan) that would permit alternative development scenarios in Eatontown.

Background

In 2008, the Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan) was completed and accepted by the U.S. Department of Housing and Urban Development and the U.S. Department of Defense, and serves as the Plan for the redevelopment and revitalization of Fort Monmouth to be implemented by FMERA. FMERA's enabling legislation, P.L. 2010 c. 51 (the Act), the Land Use Rules subsequently adopted in 2013, N.J.A.C. 19:31C-3 et seq. (Land Use Rules), and the Reuse Plan contemplate that amendments to the Reuse Plan would be required from time to time. Specifically, the Act authorizes FMERA "to adopt, revise, adjust, and implement... any aspect of the plan."

Reuse Plan amendments allow FMERA to respond to opportunities that arise through the Request for Offers to Purchase (RFOTP) process. The amendment is required to be a report or statement with proposals that include the following:

1. A statement of objectives, assumptions, and standards on which the plan is based;
2. The relationship to Statewide, county and municipal planning objectives;
3. Proposed land uses; and
4. Any significant relationship to municipal and county plans as well as the State Development and Redevelopment Plan.

According to the Land Use Rules, the FMERA Board shall consider the following as guidance when reviewing a proposed amendment:

1. Whether the proposed amendment would result in a material change in the overall development yield or affordable housing obligations of the host municipality, or would result in any negative impact to the Authority's obligations pursuant to the Fair Housing Act of 1985;
2. Whether the proposed amendment would result in any significant adverse impact on other areas of Fort Monmouth;
3. Whether the proposed amendment would substantially impair the intent and purposes of the Reuse Plan;
4. Whether the proposed amendment would have any negative impact to the Authority's obligations pursuant to the Base Realignment and Closure Act (BRAC) and any agreement with the U.S. Army conveying Fort Monmouth property to the Authority; and
5. Whether the proposed amendment would have significant adverse infrastructure ramifications different from those envisioned in the Reuse Plan.

In accordance with the Act and the Land Use Rules, prior to approving an amendment to the Plan, the amendment must be transmitted to the governing body of each host municipality for a 45 day comment period, at the end of which each municipality may provide FMERA with a written report containing the municipality's recommendations. Staff will review the report from each host municipality and prepare a preliminary analysis with reasons for accepting or not accepting the recommendations. This report shall be presented to the Board for its consideration and approval.

Development Contemplated under the Reuse Plan

The Reuse Plan currently envisions the redevelopment of the Eatontown Reuse Area for approximately 1.96 million square feet of non-residential uses and 577 residential uses. The Reuse Plan included development of a conference hotel and golf course, a lifestyle mixed-use center/technology incubator campus and municipal complex, and expansive green space including the Suneagles golf course.

In August 2017, the FMERA Board approved the transmittal of proposed Amendment #8 to the host municipalities for their review. The proposed Amendment allows for the development of 206 low-density residential units and 52 medium-density residential units at the Howard Commons site in Eatontown, as well as clarifies and amends the bulk, area and use requirements in the Land Use Rules governing the Howard Commons site. The deadline for the Borough's review of the proposed Amendment #8 is October 9, 2017.

The Proposed Reuse Plan Amendment

The attached proposed Amendment #9 prepared by the Authority's planning consultant, Phillips Preiss Grygiel, LLC (PPG) encompasses approximately 12 acres of Fort Monmouth property in the Eatontown Reuse Area. The proposed Amendment maintains the Plan's land use concepts and plans while permitting development scenarios for the parcel that, if pursued, would result in the development of approximately 30,000 square feet of additional non-residential development on the Fort. This includes the reuse of six World War-II era barracks buildings, located just off of the Avenue of Memories on an approximately 4.2-acre parcel known as the Barracks Parcel, for commercial arts-related uses, including studio, performance and gallery space, as well as up to 12 short-term residential units for artists. In addition, the proposed Amendment allows for the reuse

of an administrative building, known as Building 1123 located on an approximately 7.5-acre parcel on Avenue of Memories, by the Borough of Eatontown as a public works facility.

The Reuse Plan envisioned the demolition of all the buildings on the 12 acres addressed by the proposed Amendment and the preservation of the parcels as open space. Proposed Amendment #9 maintains Soldiers Park as open space, an approximately 1.5 acre park located on Saltzman Avenue/Avenue of Memories; the Park could also be used for outdoor exhibits or performance space. In addition, open space would be maintained adjacent to Wampum Brook, which runs through the 7.5-acre parcel containing Building 1123.

Staff recommends these changes as the highest and best use for the site based on the results of the Request for Offers to Purchase (RFOTP) for the Barracks parcel and the needs of the Borough.

Staff has reviewed the Amendment with regard to the criteria in the Land Use Rules, in N.J.A.C. 19:31C-3.27(c)5, for reviewing a proposed amendment and proposes the following conclusions:

1. This Amendment would not change the total number of residential units planned in Eatontown.
2. This Amendment affects only the Eatontown Reuse Area. As to those portions of the Eatontown Reuse Area not modified by this Amendment, the arts-related development at the Barracks Parcel will contribute to the creation of a vibrant, mixed-use community envisioned for the Eatontown reuse area at the Main Post, and the civic use of Building 1123 will provide a public service that will benefit all properties within Eatontown.
3. This Amendment would maintain the overarching land use concepts, objectives and principles of the Reuse Plan and addresses the relationship of the new uses at the subject parcels with the surrounding uses. Thus, the Reuse Plan would remain a rational coordinated land use plan.
4. This Amendment is consistent with the Authority's BRAC obligations and the existing Phase 2 Economic Development Conveyance (EDC) agreement with the Army by incorporating mixed-use development and public purpose uses envisioned in the Reuse Plan approved as part of the BRAC process.
5. The proposed Amendment includes changes to circulation envisioned in the Reuse Plan to improve access to the southern portion of the Eatontown area of the Fort. As indicated in the Reuse Plan, impacts on the existing gas, electric, water, wastewater and telephone utilities are to be evaluated at site plan review for a specific project.

In order for the Authority to begin the public process required before the Board considers approval or disapproval of the amendment to the Plan, FMERA staff is requesting approval to transmit the attached proposed Amendment to the governing body of each of the three host municipalities. The proposed changes included in the Amendment currently demonstrate an overall reduction in the passive open space preserved or protected in the Eatontown Reuse Area. The Board approved Suggested Implementation of Open Space Inventory for Redevelopment of Fort Monmouth (Open Space Memo) recommended that the reallocation of open space for public use through a Plan Amendment should be deducted from the overall allocation of passive open space, as the acreage will continue to serve the public. The acreage of open space lost due to the retention of Building 1123 will be offset by a public use of the space for the Borough's public works facility. In addition,

the open space lost due to the retention of the six barracks buildings for commercial arts-related uses incorporate the Reuse Plan's goal of leveraging Fort assets; while the buildings are not included on the State or National Registers of Historic Places, these will likely be the only buildings of their kind retained on the Fort. Staff is working on additional strategies to accommodate passive and active open space within Eatontown, in accordance with the Open Space Memo.

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

Recommendation

In summary, I am requesting the Board approve the transmittal to the three host municipalities of the proposed Amendment #9 to the Reuse Plan that would permit alternative development scenarios in Eatontown.

Bruce Steadman

Prepared by: Candice Valente

ADOPTED
September 20, 2017

Resolution Regarding
Consent to Designation of Block 301, Lot 1, Block 501, Lots 1 and 1.01, Block 601, Lot 1 and Block 701, Lot 1 in the Borough of Eatontown as an Area in Need of Redevelopment

WHEREAS, pursuant to the Local Redevelopment and Housing Law (the LRHL), the Eatontown Borough Council (Borough Council) with the prior knowledge of FMERA, approved Resolution 152-2017, subsequently revised by Resolution 162-2017, to direct the Eatontown Planning Board (the Planning Board) to conduct an investigation to determine whether the real property encompassing the entire area of Eatontown within the former Fort Monmouth and identified on the tax maps of the Borough as Block 301, Lot 1, Block 501, Lots 1 and 1.01, Block 601, Lot 1 and Block 701, Lot 1 (the Property) meets the criteria set forth in *N.J.S.A. 40A:12A-5* for designation as an area in need of redevelopment; and

WHEREAS, the Planning Board, in accordance with the requirements of the LRHL, conducted an investigative hearing on August 21, 2017 to determine whether the Property should be designated as an area in need of redevelopment; and

WHEREAS, as part of the investigation, the Planning Board reviewed the recommendations set forth in the *Redevelopment Study for the Former Fort Monmouth Properties in the Borough of Eatontown, New Jersey*, prepared by Phillips Preiss Grygiel, LLC (PPG) and dated July 2017 (the Study); and

WHEREAS, the Planning Board unanimously passed a resolution dated August 22, 2017 recommending that the Borough Council designate the Property as a non-condemnation area in need of redevelopment; and

WHEREAS, the Borough Council, subject to the consent of FMERA, designated the Property as a non-condemnation area in need of redevelopment by Resolution 178-2017, a copy of which is annexed hereto as an exhibit, and which includes, among other things, copies of the Study and of the Planning Board Resolution; and

WHEREAS, pursuant to FMERA's Land Use Rules, the Borough Council notified FMERA of the Borough's action and requested FMERA's consent to the designation by way of a seven-vote majority of the Board; and

WHEREAS, staff and FMERA's special counsel have reviewed the Study and determined that the Property can be designated an area in need of redevelopment; and

WHEREAS, after review of the Resolution of Finding from the Planning Board, the Borough Council Resolution and the Study, the Real Estate Committee recommends Board approval of consent to the designation.

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached memorandum, the Authority hereby consents to the designation of the Property as an area in need of redevelopment.

2. The Authority authorizes the Executive Director to take all necessary actions to effectuate the consent of the Authority to the designation of the Property as an area in need of redevelopment.

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: September 20, 2017

EXHIBIT 4

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Consent to Designation of Eatontown Area within Fort Monmouth as Area in Need of Redevelopment

DATE: September 20, 2017

Request

I am requesting Board approval of consent to the designation by the Borough of Eatontown of the entire Eatontown Area within Fort Monmouth as an *area in need of redevelopment* in accordance with the N.J. Local Redevelopment and Housing Law (LRHL) and Fort Monmouth Land Use Rules.

Background

The N.J. Local Redevelopment and Housing Law (LRHL) offers municipalities tools to encourage redevelopment in areas that meet the statutory criteria of an *area in need of redevelopment*. On July 12, 2017, the Borough of Eatontown authorized the Borough Planning Board to conduct a study of an Eatontown area of Fort Monmouth to investigate whether or not that area meets the statutory criteria for such designation. (This approval was amended by the Borough via resolution on July 26, 2017, in order to expand the study area to include all parcels in the Eatontown area of Fort Monmouth.) Per the LRHL, the designation may be made if, following the investigation by the planning board and a public hearing for which notice has been given, the area is determined to meet one or more of the statutory criteria.

On August 21, 2017, the Eatontown Planning Board held a public hearing, with notice of the hearing completed pursuant to the LRHL. The Planning Board determined that the properties located within the study area meet the criteria set forth in the LRHL, as described below. On August 23, 2017, the Borough approved the designation as a non-condemnation area in need of redevelopment per the Planning Board's findings, via resolution and subject to the consent of the FMERA Board.

FMERA's enabling legislation, P.L. 2010 c. 51 (the Act) and the Land Use Rules subsequently adopted in 2013, N.J.A.C. 19:31C-3 et seq. (Land Use Rules) provide that in order for the Borough's designation to be approved under New Jersey law, the FMERA Board must consent to such designation by way of a seven-vote majority of its members. In order to consider whether to

consent to the designation, the Authority “may consider the extent of the area subject to the designation, the justification for the designation, and whether the designation will contribute to the successful redevelopment of the Fort Monmouth Project Area,” per 19:31C-3.25(a)6.

FMERA staff and FMERA’s special counsel have reviewed the investigation study completed by the FMERA’s certified planning consultants, Phillips Preiss Grygiel (PPG), “Redevelopment Study for the Former Fort Monmouth Properties in the Borough of Eatontown, New Jersey,” which is attached to this memo for the members’ review. The study includes a review of the entire Eatontown area of the Fort; PPG physically inspected the buildings, structures and grounds of the Fort, reviewed several reports and documents related to the Fort and its closure in 2011, and interviewed members of FMERA staff to obtain information on the historical use of the buildings and the potential for reuse of the facilities from both a physical and market perspective.

Summary of Investigation Study

The facilities within Fort Monmouth generally and those within Eatontown specifically were built for mostly utilitarian purposes on an “as needed” basis to meet the discrete needs of a specialized user, namely the U.S. Army. The use of most of the buildings has been discontinued and the facilities have been vacated. Most of the structures were constructed and outfitted for specialized use by the military such that they are unlikely to have much appeal in the private marketplace. Other buildings exhibit outdated layouts and designs, and still others suffer from some level of functional obsolescence. Much of the utility and mechanical infrastructure is also old and inefficient. Physical improvement and modernization of the buildings and/or infrastructure pose a challenge from both a market and cost standpoint. The majority of the improvements have reached the end of their useful life and the prospects for re-tenanting are poor or nonexistent. Some of the facilities and lands will also have to undergo environmental remediation.

Clearly, in its present condition the study area is failing to satisfy the land use policy objectives advanced by FMERA and Eatontown alike. Prior to its closure, several studies projected the negative impacts which would occur once the Fort closed, recognizing that when it was fully operational Fort Monmouth had a total economic impact of \$2.5 billion. If the present conditions are allowed to persist and the land and buildings continue to stay unproductive, it will hasten a process of economic decline in the fort communities (Tinton Falls, Eatontown and Oceanport) and surrounding municipalities, to the detriment of the public health, safety and general welfare of the community.

As a result of the conditions and circumstances described above and more fully in PPG’s report, there is a basis to declare the study area in its entirety as an *area in need of redevelopment* in accordance with the “b” and “d” criteria as set forth in the LRHL. Consistent with criteria “b” the discontinuance of the use of some of the buildings in this area of the former Fort have fallen into so great a state of disrepair as to be untenable. Consistent with criteria “d” the subject area includes buildings and improvements which exhibit one or more signs of dilapidation, obsolescence, faulty arrangement or design, lack of ventilation, light and sanitary facilities, deleterious land use or obsolete layout which are detrimental to the safety, health, morals or welfare of the community. Further, the remaining buildings and lands (including the golf course) that do not in and of themselves meet any of the statutory criteria may be properly included as part of the designated redevelopment area, in accordance with Section 3 of N.J.S.A. 40A:12A. This is

in recognition of the fact that the study area boundaries were logically drawn to include a large contiguous area that can suitably accommodate redevelopment activity with or without change in these particular improvements or land areas.

FMERA staff has reviewed the investigation study, as well as the Resolution of Findings from the Eatontown Planning Board and subsequent resolution from the Borough Council, and requests the Members' recommendation for Board approval of the designation. Under the FMERA Act and Land Use Rules, Eatontown's adoption of a LRHL redevelopment plan for any portion of the area in need of redevelopment also requires Board's consent.

The Real Estate Committee has reviewed the request and recommends Board consent of the designation.

Recommendation

In summary, I am requesting the Board consent to the Borough of Eatontown's designation of the entire Eatontown area of the Fort property as an *area in need of redevelopment* in accordance with the N.J. Local Redevelopment and Housing Law (LRHL) and Fort Monmouth Land Use Rules.

Bruce Steadman

Prepared by: Candice Valente

ADOPTED
September 20, 2017

Resolution Regarding
**Approval of a Revised Purchase and Sale Agreement & Redevelopment Agreement with
Fort Monmouth Parcel B Redevelopment, LLC, for Parcel B**

WHEREAS, on February 10, 2015, FMERA issued and publicly advertised a Request for Offers to Purchase (RFOTP) with a response date of July 10, 2015, in connection with the planned redevelopment of Parcel B in Eatontown; and

WHEREAS, Parcel B is a 77-acre parcel located in the Eatontown Reuse Area, containing 13 obsolete buildings slated for demolition in the Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan), which could accommodate approximately 250,000 square feet of retail and other commercial uses, along with 302 housing units; and

WHEREAS, FMERA received five proposals for Parcel B, which were scored independently by an evaluation committee, and Fort Monmouth Parcel B Redevelopment, LLC, (Parcel B Redevelopment or Paramount) received the highest score and submitted the highest price proposal, and the proposal included a viable and fair proposal for the optional 12-acre property; and

WHEREAS, the Board authorized the execution of a Purchase and Sale Agreement & Redevelopment Agreement with Paramount in February 2017, and subsequently, Paramount identified new equity partners, and FMERA and Paramount have reached agreement over the substitution of those parties as well as other material and non-material changes to the PSARA; and

WHEREAS, the terms of the proposed PSARA include Parcel B Redevelopment's payment of \$22.1 million for the property; initial closing will occur within 30 days of satisfaction of the conditions precedent, which include: Parcel B Redevelopment 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 of Parcel B Redevelopment as redeveloper; and

WHEREAS, Paramount plans to create a joint venture entity for developing the commercial project with the commercial equity partner, and a separate entity for developing the residential land with the residential equity partner prior to turning the residential project over to Ryan Homes for the construction of the new housing units, as more fully described in the attached PSARA; and

WHEREAS, the project will consist of residential and commercial components with an overall development cost of at least \$130 million, including 302 residential units and approximately 350,000 square feet of retail space and up to 40,000 square feet of office space; and

WHEREAS, the attached PSARA is in substantially final form, with final terms of the PSARA subject to the approval of FMERA's Executive Director and the Attorney General's Office; and

WHEREAS, the Real Estate Committee has reviewed the revised PSARA and recommends Board approval.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the selection of Fort Monmouth Parcel B Redevelopment, LLC, as the purchaser of Parcel B in Eatontown pursuant to the February 10, 2015 Requests for Offers to Purchase (RFOTP), on terms substantially consistent to those set forth in the attached memorandum and the attached revised Purchase and Sale Agreement and Redevelopment Agreement (PSARA) and with final terms acceptable to the Executive Director and the Attorney General's Office, and authorizes the Executive Director to execute the PSARA and take any necessary actions to effectuate the selection of Fort Monmouth Parcel B Redevelopment as the purchaser.

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 20, 2017

EXHIBIT 6

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Revised Purchase and Sale & Redevelopment Agreement with Fort Monmouth Parcel B Redevelopment, LLC for Parcel B in Eatontown

DATE: September 20, 2017

Request

I am requesting that the Board authorize the execution of a revised Purchase and Sale & Redevelopment Agreement (PSARA) with Fort Monmouth Parcel B Redevelopment, LLC, an affiliate of Paramount Realty Services, Inc. (Paramount) for Parcel B in the Eatontown section of the Main Post.

Background

FMERA first issued a Request for Offers to Purchase (RFOTP) in connection with the planned redevelopment of Parcel B in Eatontown on March 26, 2013. At the time, Parcel B was a 55.327 acre tract fronting on Route 35 in the Eatontown Reuse Area of the Main Post. The Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan) calls for the 480,000± sf of existing buildings to be demolished and replaced with up to 150,000 sf of retail and commercial uses and 302 housing units, 20% of which must be affordable to low- and moderate-income households. This initial Parcel B is a Phase One property in FMERA's June 25, 2012 Economic Development Conveyance Agreement (EDC Agreement) with the Army. Title to the 55.327 acre tract was transferred to FMERA in June 2014.

Proposals were received from four entities in June 2013, with one of the proposers offering multiple scenarios for development, as permitted by the RFOTP. An Evaluation Committee consisting of three FMERA staff members and one Army representative independently scored the proposals, and then met as a team to rank the responses in accordance with the Authority's Sales Rules. Subsequently, the proposer that was ranked highest by the Evaluation Committee was disqualified for non-compliance with New Jersey's political contributions law, P.L. 2005, c. 51. Following the disqualification of the top scoring proposer, staff met with the second-ranked party to discuss its proposal, including how it addressed the Borough's preference for owner-occupied housing and the project's proposed retail/commercial component. After the meeting and a subsequent discussion with the proposer, staff believed the second-ranked proposal fell short of



the high standards the Reuse Plan allows. A review of the other proposals submitted for Parcel B met with a similar staff opinion, as none of the responses received proposed a lifestyle town center format that blends residential use with retail use in a pedestrian friendly manner. Although these proposals generally complied with the technical requirements of the Reuse Plan, staff believed they fell short of FMERA's high expectations for this property. The Reuse Plan allows this extremely important parcel to be developed as a high-quality Lifestyle Center and Eatontown Gateway. The Reuse Plan describes a "vibrant pedestrian environment" and "exciting gateway," with connectivity and interaction between the parcel's retail and residential components. At its January 2014 meeting, the Real Estate Committee concurred with this assessment and with staff's commitment to fulfilling these qualitative objectives, because the spirit and intent of the Reuse Plan sets the bar very high for this important Eatontown project.

In February 2014, the Board authorized staff to issue a new RFOTP for Parcel B in order to meet the Reuse Plan's goal of creating a lifestyle town center that blends residential use with retail use in a pedestrian friendly manner, resulting in an exciting and attractive gateway to the Fort. Staff indicated that the new RFOTP would place greater emphasis on those qualities necessary to achieve the type of "vibrant pedestrian environment" and "exciting gateway" into the Fort that was envisioned in the Reuse Plan. For example, staff recommended that proposals which provide the following be given a greater weight than those that do not:

- A pedestrian-oriented, "Main Street" retail spine that services in-line retail frontage, and is visually defined through a combination of architecture, paving materials, plazas, open space, fountains, public art, landscaping, creative use of water retention/detention basins, and other design features. Large-format retail should be reserved for a few key "anchor" locations.
- A pedestrian network which connects all of the retail uses to one another and to the nearby municipal and residential uses. Such pathways should include pedestrian amenities such as benches and picnic tables.
- Retail development characterized by a uniform architecture and design theme which incorporates complementary landscaping and streetscape improvements.
- Screening of parking from Route 35 by placing the retail buildings between Route 35 and the parking areas and/or a generous landscaped buffer through lawn areas, street trees, berms or other methods along the Route 35 frontage.
- Buildings oriented toward the Avenue of Memories in order to enhance the gateway into the Fort.
- Retail buildings which include residential dwelling units above.
- Other creative amenities or layout concepts that would make this a destination that will attract visitors to Eatontown.

Additionally, the new RFOTP provided greater emphasis and weighting of proposals that reflect the preference of FMERA and the Borough of Eatontown for owner-occupied housing. Proposals received from both RFOTPs for Parcel B will continue to be treated as confidential until FMERA has completed negotiations for the sale and redevelopment of Parcel B.

Subsequently, in March 2014, FMERA staff reached preliminary agreement with the Army over the terms of FMERA's purchase of the balance of the Main Post, through a Phase 2 EDC

agreement. FMERA's anticipated acquisition of the Main Post (which subsequently occurred in November 2016) presented the opportunity to reconfigure the boundaries of Parcel B to respond to changing market conditions and maximize the value of the property. Accordingly, staff recommended that Buildings 1208, 1209 and 1210, a series of obsolete structures, along with several smaller structures – Buildings 1212, 1213, 1214 and 1220 – be included within an expanded Parcel B. Staff also proposed that Mallette Hall (Building 1207), Pruden Hall, its connected indoor theater (Building 1206) and the abutting outdoor amphitheater be added to the RFOTP as an optional property, either for renovation or demolition. Mallette Hall is a 57,386 sf circa 1953 office building that served as CECOM headquarters. The Reuse Plan contemplated that Mallette would serve as Eatontown's future municipal center; the Borough, however, has indicated that it does not intend to pursue that use. Consequently, the building is available for an alternate use. Staff believed that this expanded Parcel B site could accommodate 250,000± sf of retail and other commercial uses, along with the 302 units of housing called for in the initial RFOTP.

In January 2015, the Board authorized staff to add 22 acres to Parcel B, which increased the potential buildout of retail and/or commercial development on the parcel, while keeping the number of housing units at 302. Additionally, the new RFOTP added another 12 acres including Mallette Hall as an optional component, for a total expansion of up to ±34 acres. On February 10, 2015, FMERA issued the RFOTP for the expanded Parcel B. The RFOTP was advertised in the Asbury Park Press and the Star Ledger, and posted to the FMERA, New Jersey Economic Development Authority (NJEDA) and New Jersey State Business Portal websites. Proposals were due on July 10, 2015 and proposals were received from five entities, with two of the proposers offering multiple scenarios for development, as permitted by the RFOTP.

An Evaluation Committee consisting of four FMERA staff members and one Army representative independently scored the proposals, and then met as a team to rank the responses in accordance with the Authority's Sales Rules. The Evaluation Committee scored all proposals together, as all proposals would require an amendment to the Reuse Plan. For any proposal that included the optional 12 acres, the additional monies offered in each proposal for this acreage was compared to the appraised value for the 12 acres. The Promenade at Fort Monmouth, a proposal submitted by Fort Monmouth Parcel B Redevelopment, LLC, a newly-formed single purpose limited liability company, received the highest score and submitted the highest price proposal. The owners of this entity, Paramount at Fort Monmouth, LP, are the owners of Paramount Realty Services, Inc., and LMS Commercial Real Estate. The purchaser will subcontract the management and construction of the residential components of the project to NVR, Inc./Ryan Homes, a publicly traded company.

As part of their analysis, the Evaluation Committee reviewed the Promenade at Fort Monmouth proposal for compliance with the Reuse Plan. The proposal touched on all of the qualities described and desired by the Real Estate Committee as summarized in the RFOTP. The RFOTP noted that offers proposing to develop additional commercial/retail space on Parcel B would be considered. Paramount proposed approximately 350,000 square feet of retail, and an additional approximately 40,000 square feet of office space, in conjunction with the 302 residential units. FMERA already planned to undertake an amendment to the Reuse Plan incorporating the expanded uses and revised boundaries of Parcel B, and noted this in the RFOTP. Approval of a Reuse Plan amendment will be at the sole discretion of the FMERA Board.

Following the Board’s authorization at the February 2016 meeting, FMERA and Paramount entered into an Exclusive Negotiations Agreement on October 3, 2016, and Paramount made an additional deposit of 10% of the proposed purchase price that will be credited to Paramount at closing. The Board subsequently extended the exclusive negotiations period through March 2, 2017.

At the February 2017 meeting, the Members authorized the execution of a PSARA with Paramount for Parcel B. Subsequently, however, Paramount’s prospective equity partners requested revisions to the PSARA that would materially alter the document and result in a departure from Paramount’s proposal and FMERA’s RFOTP. Paramount has now identified new equity partners, and FMERA and Paramount have reached agreement over the substitution of those parties as well as other material and non-material changes to the PSARA.

Background on Paramount and the Redevelopment Entity

Founded in 1994, Paramount is a real estate development organization with 60 employees in New Jersey and Pennsylvania. They own, manage and lease approximately 10 million square feet across the country, including 23 successful communities in New Jersey. At year-end 2016, Paramount and its affiliate, LMS Commercial Realty, had net earnings of \$97.6 million on gross revenues of \$145.2 million. Cash on hand at year-end totaled \$35.2 million. The company will subcontract with NVR/Ryan Homes to complete the residential portion of the Project.

Paramount has identified Edens, a privately-held retail developer, owner and operator based in Bethesda, Maryland, as its new retail equity partner. Edens owns or controls 17 million square feet of retail space in 120 locations on the eastern seaboard and in Texas representing \$6.2 billion in real estate assets. CJS Investments, Inc. of Neptune, New Jersey will be the new residential equity partner. CJS is owned by John and Scott Caruso, who have developed approximately 1,800 residential lots over the past 20 years for Ryan Homes and other national builders, primarily in Monmouth and Ocean counties.

Paramount will retain a majority interest in the retail component through completion of the retail phase, and, following the land development, Ryan will take ownership of the residential phase until the homes are completed. A detailed description of the project’s ownership structure is contained in the PSARA.

Project Description

Now known as Freedom Pointe, Paramount’s proposal calls for a total of 302 residential units, 20% of which will be affordable to low- and moderate-income households. In addition, the Project is proposed to include approximately 350,000 square feet of retail, and an additional 40,000± square feet of office space. Paramount will build a minimum of 250,000 sf of commercial space, with at least half of that amount located along a pedestrian-oriented, “Main Street”. To the extent that sufficient parking can be provided, the development may exceed its 390,000 sf projected buildout. The retail development on Parcel B will be a high quality, convenient, pedestrian-friendly, and inviting destination which will feature national, regional, and local specialty stores and restaurants with ample and accessible parking. Parcel B, fronting Route 35, will be

transformed into an exciting and attractive gateway into the Fort. The development will embody a live-work-play community and feature open space for seasonal community events and gatherings, landscaping and improved streetscapes, and provide connectivity between the retail and residential components. The center will be visually defined through a combination of architecture, paving materials, creative use of water retention/detention basins, and other design features commonly found in upscale retail developments.

Note that while the RFOTP specified a parcel size of up to 89 acres, it anticipated that the selected redeveloper would deed land to the County of Monmouth for the dedication of Avenue of Memories/Route 537 Extension as a public right of way. FMERA completed this dedication in October 2016 in connection with its Phase 2 closing with the Army. As a result, Parcel B's net land area now totals approximately 82 acres.

Purchase and Sale & Redevelopment Agreement

FMERA staff is pleased to report that negotiations with Paramount have resulted in the following terms. Paramount will pay \$22.1 million for the 82±-acre property. Pursuant to FMERA's June 25, 2012 Economic Development Conveyance Agreement with the Army, FMERA will receive 40% of the net sale proceeds from the Phase 1 portion of the property, with the Army receiving the remainder, and FMERA will receive all net proceeds from the Phase 2 portion of the property. Closing will occur within 30 days of satisfaction of the conditions precedent to closing, which include: Paramount 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 complete the Reuse Plan amendment within approximately six months of PSARA execution. Paramount will then have 90 days to submit applications for initial approvals, and 12 months from submission date to obtain all approvals. This period may be extended for an additional six months if Paramount has not obtained required approvals within the initial timeframe. FMERA will convey the property 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.

Paramount plans to create a joint venture entity for developing the commercial project with the commercial equity partner, and a separate entity for developing the residential land with the residential equity partner prior to turning the residential project over to Ryan Homes for the construction of the new housing units, as more fully described in the attached PSARA. Parcel B contains an environmental carve-out area that is still Army-owned. The Army is in the process of pursuing a No Further Action (NFA) determination from the New Jersey Department of Environmental Protection for this area. If the NFA is not obtained by the closing date, FMERA will convey the environmental carve-out to Paramount at a subsequent closing.

The project will consist of residential and commercial components with an overall development cost of at least \$130 million. The residential component will include 302 residential units consisting of 241 market-rate, owner-occupied townhomes, and 61 affordable condominium or rental flats that will satisfy the project's minimum 20% affordable housing requirement. In keeping with Eatontown's preference for owner-occupied housing on Parcel B, Paramount has

committed to develop the affordable housing as condominium units provided it receives a payment in lieu of tax agreement and a subsidy from Eatontown's affordable housing trust fund. In furtherance of this objective, the Borough approved a resolution this summer designating Parcel B and the balance of the Eatontown Reuse Area as an Area in Need of Redevelopment. The project's commercial component will consist of approximately 350,000 sf of retail space and up to 40,000 sf of office space as described above.

Paramount will commence demolition of the ±1 million sf of existing buildings within three (3) months of closing and complete demolition within 18 months. Construction of the project will proceed in phases and be completed within 60 months after completion of demolition and site work. FMERA will have a right to repurchase the property if construction is not timely commenced or completed. Paramount will also be obligated to create 781 permanent jobs at the property by project completion, or pay a penalty of \$1,500 for each job not created.

FMERA and Paramount will negotiate their respective shares of the cost to construct off-site water and sewer mains required to provide service to the property, as well as their respective shares of roadway improvement costs in connection with an anticipated New Jersey Department of Transportation (NJDOT) developer's agreement. These infrastructure and transportation costs will be addressed in a separate infrastructure agreement that will be presented to FMERA's Members for approval at a subsequent meeting once they have been negotiated.

Based on the redevelopment provisions of the PSARA between FMERA and Paramount, FMERA staff concludes that the essential elements of a redevelopment agreement between FMERA and Paramount are sufficiently addressed and that it is not necessary for FMERA to enter into a separate redevelopment agreement with Paramount for its development of Parcel B. Attached is a substantially final form of PSARA. The final terms of the PSARA 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 revised PSARA with Fort Monmouth Parcel B Redevelopment, LLC for Parcel B.

Recommendation

In summary, I am requesting that the Board authorize the execution of a revised Purchase and Sale & Redevelopment Agreement with Fort Monmouth Parcel B Redevelopment, LLC for Parcel B in Eatontown.

Bruce Steadman

Prepared by: Kara Kopach, Candice Valente & David Nuse

ADOPTED
September 20, 2017

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

WHEREAS, in November 2016 a fifth amendment to the PSARA was approved by the Board in order to provide for a proportional allocation of the deposit funds for each of the Parcels and to confirm 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; and

WHEREAS, pursuant to the third amendment to the PSARA, as a condition precedent to closing, FMERA is obligated to address a proposed 50' wide electrical transmission easement in favor of Jersey Central Power & Light (JCP&L) that runs along the southern boundary of the Parcel C-1 parcel; and

WHEREAS, FMERA identified a solution, memorialized via a Supplemental Letter to the Transfer Agreement with JCP&L for the Charles Wood Area previously approved by

the Board, that allows for the partial release of the easement upon closing with Lennar, the relocation of certain utility infrastructure within the parcel, and a reconfiguration of the parcel in order to maintain enough buildable area to include 45 single-family homes proposed on the site; and

WHEREAS, the attached exhibit shows the new parcel, which is approximately 15.737 acres, an increase of 3.737 acres more from the original 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: September 20, 2017
ATTACHMENT

EXHIBIT 7

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

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

DATE: September 20, 2017

Request

I am requesting that the members of the Board approve the sixth 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. 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 was executed in December 2015. The terms presented to the Board remain substantially unchanged. The project will consist of the development of approximately 243 residential units (townhomes, stacked townhomes and/or apartments) and up to 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.

Lennar's due diligence 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. A third amendment to the PSARA was approved in June 2016 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. Lennar completed the additional environmental testing requested for Parcel C1 and in November 2016 a fifth amendment to the PSARA was approved by the Board in order to provide for a proportional allocation of the deposit funds for each of the Parcels. The fifth amendment also confirmed 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.

Amendment

Pursuant to the third amendment to the PSARA, as a condition precedent to closing, FMERA is obligated to address a proposed 50' wide electrical transmission easement in favor of Jersey Central Power & Light (JCP&L) that runs along the southern boundary of the Parcel C-1 parcel. In discussions with Lennar and JCP&L, FMERA has identified a solution that allows for the partial release of the easement upon closing with Lennar, the relocation of certain utility infrastructure within the parcel, and a reconfiguration of the parcel in order to maintain enough buildable area to include 45 single-family homes proposed on the site. This plan is memorialized via a Supplemental Letter to the Transfer Agreement with JCP&L for the Charles Wood Area approved by the Board at its April 2016 meeting. The attached exhibit shows the new parcel, which is approximately 15.737 acres, which is 3.737 acres more than the original Parcel C-1. Lennar's site investigations have determined that the buildable area of the site remains approximately 10 acres with this reconfiguration.

The proposed sixth amendment to the PSARA revises the Parcel C-1 description and conceptual site plan to include this reconfigured parcel, per the attached exhibits.

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

The Real Estate Committee has reviewed the request and recommends Board approval of the proposed sixth amendment.

Recommendation

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

Bruce Steadman

Prepared by: Candice A. Valente

DRAFT

ADOPTED
September 20, 2017

Resolution Regarding
Approval of (i) Purchase and Sale Agreement with Family Promise of Monmouth County for 1.75-Acre Parcel in Oceanport; (ii) a Legally Binding Agreement (LBA) with Family Promise for Designated Homeless Service Facilities; and (iii) an Administrative Letter supplementing certain general provisions of the LBA

WHEREAS, in September 2008, the Fort Monmouth Economic Revitalization Planning Authority (FMERPA), the predecessor to FMERA, submitted a Homeless Assistance Submission along with the Reuse Plan to the U.S. Department of Housing and Urban Development (HUD) which included a Legally Binding Agreement (LBA) providing for Designated Homeless Service Facilities at former Building 501, located in the Oceanport section of the Fort; and

WHEREAS, FMERA and Family Promise of Monmouth County (Family Promise) have negotiated final terms of an Administrative Letter (to supplement the LBA) and Purchase and Sale Agreement (PSA) for the transfer and long-term use of the property to include the renovation of the existing facility and the provision of the Homeless Support Services as defined in the LBA; and

WHEREAS, the PSARA calls for FMERA to convey the approximately 1.7-acre parcel on Malterer Avenue to Family Promise in exchange for \$1.00 plus the satisfaction of the covenants and obligations set forth in the LBA, as supplemented by the Administrative Letter, with additional terms as included in the attached PSA; and

WHEREAS, FMERA and Family Promise propose to enter into the attached LBA, which was a component of the HAS; and

WHEREAS, the attached Administrative Letter supplements the LBA by providing detail on and revising terms of the LBA, as described in the attached memorandum; and

WHEREAS, the attached LBA, PSARA and Administrative Letter are in substantially final form, with final documents subject to the approval of FMERA's Executive Director and the Attorney General's Office; and

WHEREAS, the Real Estate Committee has reviewed the request and recommends that the Board authorize the PSA between FMERA and Family Promise, the LBA and Administrative Letter with respect to Building 501 in Oceanport;

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached memorandum, the Board authorizes: (i) the execution of a Purchase and Sale Agreement between FMERA and the Family Promise of Monmouth County; (ii) a Legally Binding Agreement (LBA) with the

Family Promise of Monmouth County for Homeless Provider Services; and (iii) an Administrative Letter supplementing certain general provisions of the LBA. All documents are in substantially final form, with final terms subject to approval by 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. 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 20, 2017

EXHIBIT 5

DRAFT

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

DATE: September 20, 2017

RE: Purchase and Sale Agreement with Family Promise of Monmouth County, Legally Binding Agreement and Administrative Letter with respect to Building 501 on a 1.7-Acre Parcel in Oceanport

Summary

I am requesting that the Board approve: (i) a Purchase and Sale Agreement (PSA) with Family Promise of Monmouth County (Family Promise) for an approximately 1.7-acre parcel on Malterer Avenue in the Oceanport section of Fort Monmouth; (ii) a Legally Binding Agreement (LBA) with Family Promise for Designated Homeless Service Facilities; and (iii) an Administrative Letter supplementing certain general provisions of the LBA, in support of the provision of homeless support services at the former Fort Monmouth.

Background

In September 2008, the Fort Monmouth Economic Revitalization Planning Authority (FMERPA) submitted a Homeless Assistance Submission (HAS), along with the Fort Monmouth Reuse and Redevelopment Plan (the Reuse Plan), to the U.S. Department of Housing and Urban Development (HUD) which included a Legally Binding Agreement (LBA) (Exhibit b15) providing for Designated Homeless Service Facilities at former Building 501, located in the Oceanport section of the Fort. The HAS was subsequently approved by HUD in 2010.

FMERA and Family Promise have negotiated final terms of an Administrative Letter (to supplement the LBA) and PSA for the transfer and long-term use of the property to include the renovation of the existing facility and the provision of the Homeless Support Services as defined in the LBA. The terms of these documents are intended to satisfy FMERA's obligations under the HAS and the LBA.

Purchase and Sale Agreement

The PSA calls for FMERA to convey the approximately 1.7-acre parcel on Malterer Avenue to Family Promise in exchange for \$1.00 plus the satisfaction of the covenants and obligations set forth in the LBA, as supplemented by the Administrative Letter. Family Promise will renovate Building 501, an approximately 2,832 square-foot building, with the purpose of providing the Homeless Support Services at the building. Family Promise will have a sixty (60) day due diligence period, and an additional ninety (90) day approvals period (with a possible 60-day extension), in order to complete investigations of the property

and secure all approvals in order to occupy the building, or may choose to waive these approvals in order to close on the property. FMERA will allow Family Promise to use and purchase interim water, sewer, and electric services over existing systems, and Family Promise will be obligated to reconnect to new water and sewer mains upon installation. FMERA will work with the utility providers to ensure the new mains are installed in the approximate location of existing connections adjacent to the property.

Legally Binding Agreement for Homeless Provider Services

FMERA and Family Promise propose to enter into the attached LBA, which was a component of the HAS. The LBA outlines the support services to be provided by Family Promise at its cost and expense, at the Designated Homeless Services Facility, which included emergency residential shelter services, case management, identification and links to outside service providers, and support programs, including subsidized education programs. The LBA also stipulates that Family Promise shall be responsible for all costs and expenses associated with the operation and maintenance of the Facilities and delivery of the Homeless Support Services. Family Promise will have a period of up to three (3) months from the effective date of the deed to begin the delivery of the Homeless Support Services.

Administrative Letter

The attached Administrative Letter supplements the LBA by providing detail on and revising terms of the LBA. Notwithstanding the LBA, Family Promise shall utilize the Designated Homeless Service Facilities as a day center and not a residential shelter. Family Promise shall offer all Homeless Support Services at the Designated Homeless Service Facilities except that Family Promise shall offer the residential component at other sites. Recipients of the Homeless Support Services shall also have access to certain low-income housing provided by other organizations, as reflected in Low Income Services Exhibit attached to the Administrative Letter. The Letter clarifies that Family Promise may request an extension of an additional six (6) months to the commencement of the delivery of the Homeless Support Services if Family Promise is proceeding diligently and in good faith with the renovations, and Family Promise shall have sixty (60) days to cure or initiate a cure of a noticed deficiency.

The attached LBA, PSA and Administrative Letter are in substantially final form. The final documents 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 Board approve: (i) a Purchase and Sale Agreement (PSA) with Family Promise of Monmouth County for a 1.7-acre parcel in the Oceanport section of Fort Monmouth; (ii) a Legally Binding Agreement (LBA) with the Family Promise for Homeless Provider Services; and (iii) an Administrative Letter supplementing certain general provisions of the LBA, in support of the organization's efforts to provide Homeless Support Services on Fort Monmouth, and on final terms acceptable to the Executive Director and the Attorney General's Office.

Bruce Steadman

Prepared by: Candice Valente

ADOPTED
September 20, 2017

Resolution Regarding
Approval of Amendment #1 to the Purchase and Sale Agreement and Redevelopment Agreement with Kiely Realty Group for the Pistol Range Parcel in Tinton Falls

WHEREAS, on November 12, 2015, the FMERA Board approved a Purchase and Sale Agreement and Redevelopment Agreement (PSARA) with Kiely Realty for approximately 5 acres of property in the Tinton Falls Reuse Area; and

WHEREAS, the terms of the PSARA included Kiely's payment of \$2.876 million for the property, which includes both parcels; closing will occur within 30 days of satisfaction of the conditions precedent, which include Kiely's 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; approval of Reuse Plan Amendment #3; and consent from the NJEDA Board of Kiely as redeveloper; and

WHEREAS, pursuant to Sections 50 (1) and (2) of the PSARA, as a condition precedent to closing, FMERA is obligated to provide utility service adjacent to the Parcel and the contract provides that FMERA may elect to have Purchaser undertake some of these improvements or utility placements for a reduction of purchase price at closing which is equal to the cost of the of such improvements; and

WHEREAS, in order install water main infrastructure in Pinebrook Road that serves the Pistol Range property, FMERA must provide frontage on Pinebrook Road to the Purchaser of an additional .113 acreage of land for their site; and

WHEREAS, Kiely agrees to compensate FMERA \$9,731 for this additional land at closing and incur an additional cost for running the water service laterals from Pinebrook Road, which FMERA will credit against the purchase price at closing; and

WHEREAS, pursuant to Section 50(5) of the PSARA, FMERA is responsible for the upgrade of roadways to provide for adequate access to the property from Pinebrook Road and Pearl Harbor Avenue and FMERA may elect to have the Purchaser undertake the design and construction of these roadways and receive a reduction in purchase price in an amount equal to the access improvements; and

WHEREAS, the proposed amendment provides a not to exceed design and construction amount for these access roadways, which shall be determined by Kiely through a cost plus fixed fee contract on an open book basis, including a 20% contingency fee, as well as a 15% contractor fee. The costs shall not exceed FMERA's net proceeds from the sale of the Property which are 37% of the net sale price or \$ 958,243.94; and

WHEREAS, the Real Estate Committee has reviewed the proposed amendment and recommends Board approval.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the amendment to the Purchase and Sale Agreement and Redevelopment Agreement with Kiely Realty Group, LLC for the Pistol Range Parcel 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 Kiely Realty Group as the purchaser of the Pistol Range Parcel.

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 20, 2017

EXHIBIT 8

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: First Amendment to Purchase and Sale & Redevelopment Agreement with Kiely Realty Group for the Pistol Range, the Fire and Police Training Area and the Satellite Road Parcel in the Tinton Falls Reuse Area

DATE: September 20, 2017

Request

I am requesting that the Board authorize the execution of the first amendment to the Purchase and Sale & Redevelopment Agreement (“PSARA”) with Kiely Realty Group, LLC (“Kiely”) for the sale and renovation of the Pistol Range, the Fire and Police Training Area and the Satellite Road Parcel (the “Project”) in the Tinton Falls Reuse Area.

Background

FMERA issued two separate Requests for Offers to Purchase (“RFOTP”) in connection with the planned redevelopment of the Project. The initial RFOTP issued on November 22, 2013 consisted of Building 2627, the indoor pistol range, on approximately one (1) acre of land, and provided bidders with the option to include the adjacent Fire and Police Training area (an additional 2.5 acres) for additional financial consideration. The Fort Monmouth Reuse and Redevelopment Plan (the “Reuse Plan”) and FMERA’s Land Use Rules envision that Building 2627 will be retained for use as a fire and police training center by state, county, or local government entities. However, the RFOTP broadened the potential uses to include reuse of the range by either a private entity or a governmental entity. Therefore, the RFOTP specified that if the selected purchaser were a private entity, FMERA would undertake to amend the Reuse Plan to accommodate commercial use.

Proposals were due on February 24, 2014, with FMERA receiving five proposals from: 1. Kiely Realty, 2. First Class Endeavors, LLC, 3. Richard Schwarz, Jr., 4. David Rosen and Leonard Steen and 5. Monmouth Shooting Range Corporation. FMERA and Army staff independently evaluated and scored the proposals. The evaluation team unanimously agreed that the proposal submitted by Kiely was compliant with the terms of RFOTP. Kiely received the highest score and offered the highest purchase price. In addition, Kiely’s offer to purchase included the additional 2.5-acre Fire and Police Training Area parcel that includes Building 2628, a 5,000 sf warehouse. At its May

2014 meeting, the Board authorized staff to enter into exclusive negotiations with Kiely for the sale and redevelopment of the Pistol Range and the Fire and Police Training Area.

The second RFOTP issued on August 14, 2014 consisted of a 1.5-acre parcel immediately to the east of the Pistol Range which was originally planned for open space. Due to the anticipated reconfiguration of the adjacent road network including Satellite Drive as well as its proximity to light industrial uses, FMERA staff felt that the parcel was no longer suitable as open space, and instead could potentially serve as an addition to the Pistol Range parcel or to the Pinebrook Commerce Center parcel, or could also serve as a stand-alone, buildable site for commercial development. FMERA staff presented its recommendation at the June 2014 Board meeting and received Board approval to issue an RFOTP for the parcel.

Proposals were due on October 17, 2014, with FMERA receiving two proposals from: 1) Kiely Realty Group; and 2) Pinebrook Commerce Center LLC. FMERA and Army staff independently evaluated and scored the proposals. The evaluation team unanimously agreed that the proposal submitted by Kiely was compliant with the terms of RFOTP, that it received the highest score and offered the highest purchase price.

Kiely Realty Group, LLC, of Long Branch, N.J., includes three affiliated organizations: J. F. Kiely Construction Co., J. F. Kiely Service Co., and J. F. Kiely Group. The oldest of the Kiely companies dates back to 1952 with continuous family ownership in New Jersey, and a demonstrated record of successful business ventures and job creation. Kiely will acquire the property and develop the Project over two phases. As part of their Phase I, Kiely calls for the development of the existing indoor firearms range into a for-profit private entity commercial firearms range, offering a shooting and educational experience to the public, government entities and private membership. The conceptual site plan calls for the integration of outdoor lighted displays of Fort Monmouth historical artifacts and monuments, including the Dymaxion Deployment Unit and the Huey helicopter and C-130 fuselages currently located at the Charles Wood Area. Kiely plans to add a 10,000 sf addition to the existing structure, which will expand the educational and training areas of the range. Kiely proposes green initiatives on the site, including roof-mounted solar energy and a rain garden. Kiely will create twenty-five (25) full and part-time jobs to staff the Pistol Range. For Phase II, Kiely will lease the adjacent 5,000 square foot structure located in the south west part of the property to K. Moorea LLC d/b/a Traffic Plan. Traffic Plan is a certified women business enterprise (WBE) in the State of New Jersey and will relocate five (5) management and sixty (60) union employees to this location from Farmingdale, New Jersey. Traffic Plan expects to double in size this year, potentially adding an additional forty (40) union jobs to the leased site. Kiely will finance this project (purchase and construction) with cash on hand and also has access to a \$2,000,000 line of credit from the Bank of America.

The Phase 1 EDC Agreement calls for the Army to receive 63% of the net proceeds from the sale of Building 2627, the Fire and Police Training Area and the Satellite Road Parcel with FMERA receiving the remainder.

Purchase and Sale & Redevelopment Agreement

Pursuant to the terms of the PSARA, Kiely will pay \$2,876,000 for the property, reflecting the aggregate purchase price for the first and second RFOTPs. Closing will occur within 30 days of

satisfaction of the conditions precedent to closing, which include: Kiely 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. Kiely is in the initial six (6) month approval time period and continues to work diligently toward obtaining all approvals. Kiely will have the option of extending this time period for two additional six (6) month periods if it has not obtained approvals within the initial six (6) month timeframe, provided it is proceeding in good faith. FMERA will convey the property to Kiely 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.

Kiely's Phase I will upgrade site improvements, re-establish utility service to the property, clean the building's exterior, and bring Building 2627 to full commercial code (as evidenced by receipt of a temporary certificate of occupancy) at an estimated cost of \$1,209,400. In completing Phase II, the Purchaser will upgrade the Fire and Police Training Area's site improvements, re-establish utility service to the property, clean Building 2628's exterior, and bring the building to full commercial code (as evidenced by receipt of a temporary certificate of occupancy) at an estimated cost of \$361,400. In addition, Purchaser will develop the 1.5-acre Satellite Road Parcel into additional light industrial yard space specifically for Traffic Plan at an estimated cost of \$70,000, to be used for additional off-street parking, as well as outside storage of equipment and materials. Parking for the Pistol Range Parcel along with an addition to the Pistol Range structure will also be situated upon the Satellite Road Parcel. The Purchaser covenants to create a minimum of 25 full and part-time equivalent jobs at the property plus eighty (80) temporary positions by December 31, 2018, or pay a penalty of \$1,500 per full time job and \$750 per part time job (up to \$97,500). Kiely will secure its job creation and project completion obligations by posting bonds or through a cash deposit. Provided all approvals and permits have been received, Kiely will commence the site improvement and renovation work within forty-five (45) days of closing and complete construction within twenty-four months of closing. In the event that Kiely does not commence or complete construction within the timeframes specified above, FMERA may exercise a right to repurchase the Project from Kiely for the initial sale price of \$2,876,000.

The sale will include a bill of sale for all furniture, fixtures and equipment on the Property, including, but not limited to, the Huey helicopter fuselage, one tanker, one trailer and burn building, together with: (i) the C-130 fuselage located adjacent to the Pulse Power Building; (ii) the Dymaxion Deployment Unit located atop the Myer Center; and (iii) certain monuments located on Fort Monmouth to be mutually agreed upon by the Parties. Purchaser will be responsible for relocating items (i), (ii) and (iii) to the Property at Purchaser's expense.

With regard to utilities for the Project: 1. FMERA agrees to provide access to the public sewer or water lines at or prior to closing. 2. FMERA shall provide easement for power switch located just south of the Property. 3. Kiely shall be responsible for replacement, repair, maintenance and/or relocation of all utilities within the boundaries of the Property, subject to FMERA's review and approval. 4. FMERA shall be responsible for the cost and installation of any adjacent or off-site improvements to the sewer, access roadways, water system or other utilities located off-site or adjacent to the Property being acquired as may be required for Kiely's use of the Property for its intended purposes. Alternatively, the parties may agree that Kiely shall undertake any such offsite improvements and Kiely shall receive a reduction to the purchase price at closing in an amount

equal to the cost of such improvements. 5. As between FMERA and Purchaser, Purchaser shall not pay any new water or sewer connection fees to connect to the existing water and sewer systems for the existing facilities on the Property. Infrastructure improvements to be provided by FMERA are either completed, included in this year's budget or agreed to be funded by the purchaser of the neighboring property.

Amendment

Pursuant to Sections 50 (1) and (2) of the PSARA, as a condition precedent to closing, FMERA is obligated to provide utility service adjacent to the Parcel. The contract also provides that FMERA may elect to have Purchaser undertake some of these improvements or utility placements for a reduction of purchase price at closing which is equal to the cost of the of such improvements. During the design phase of the water main installation in Pinebrook Road, New Jersey American Water (NJAW) informed FMERA that laterals, to provide water to the Pistol Range site, were not permissible through third party easements. Therefore, it became critical for FMERA to provide frontage on Pinebrook Road so that the Pistol Range site could be serviced by NJAW and FMERA could fulfill its utility obligation. As a result, Purchaser was provided an additional .113 acreage of land for their site and agreed to compensate FMERA \$9,731 for this additional land at closing. By accepting this additional land, Purchaser incurred an additional cost for running the laterals from Pinebrook Road. Under the terms of the contract, FMERA will compensate Purchaser for the cost of these laterals and reflect it as a credit at closing.

Under Section 50(5) of the PSARA, FMERA is responsible for the upgrade of roadways to provide for adequate access to the property from Pinebrook Road and Pearl Harbor Avenue. The PSARA provides that FMERA and Purchaser may elect to have Purchaser undertake the design and construction of these roadways and receive a reduction in purchase price in an amount equal to the access improvements. This amendment also exercises that contract option but provides a not to exceed design and construction amount for these access roadways. Therefore, the contract amendment will reflect Purchaser's debt for the additional .113 acres and Purchaser's credit for the lateral costs, as well as the not to exceed costs for the design and construction of the access roadways.

Purchaser shall determine costs of design and roadway construction through a cost plus fixed fee contract on an open book basis. This shall include a 20% contingency fee, as well as a 15% contractor fee. The costs shall not exceed FMERA's net proceeds from the sale of the Property which are 37% of the net sale price or \$ 958,243.94 (i.e. net of the Homeless Trust contribution and any potential commission to Cushman and Wakefield).

Since FMERA will maintain ownership of Satellite Road, prevailing wage shall be paid on all design and construction work for that roadway. Prevailing wage shall also be paid for any design or construction work completed prior to closing with Purchaser on the Pinebrook Road access drive.

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

General's Office. The Real Estate Committee reviewed this request and recommends Board approval of the First Amendment,

Recommendation

In summary, I am requesting that the Board authorize the execution of the first amendment to the PSARA with Kiely Realty Group, LLC for redevelopment of the Pistol Range, the Fire and Police Training Area, and the Satellite Drive Parcel in the Tinton Falls Reuse Area.

Bruce Steadman

Prepared by: Kara A. Kopach

DRAFT

ADOPTED
September 20, 2017

Resolution Regarding
Approval of a Purchase and Sale Agreement between FMERA and EDA with Respect to Parcel F-1 in Tinton Falls and the Execution of a Note and Mortgage on the Property

WHEREAS, the Tinton Falls Reuse Area contains several prominent buildings, including Building 2700, the 673,540± gsf Myer Center, and Building 2705, the 43,230± gsf former Night Vision Lab, both of which are slated to be renovated for office, data center and/or research & development uses in the Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan); and

WHEREAS, this 36± acre tract, known as Parcel F-1, is a Phase One property in FMERA's June 2012 Economic Development Conveyance Agreement with the Army and FMERA took ownership of Parcel F-1 from the Army in May 2014, with the exception of a 0.285 acre environmental carve-out area; and

WHEREAS, FMERA received no offers to the Request for Offers to Purchase (RFOTP) for Parcel F-1 issued in December 2014; and

WHEREAS, FMERA staff has encountered limited interest in the reuse of the existing buildings due to their size and age, which are a significant impediment to redevelopment, due to their poor condition and the scale of the required demolition; and

WHEREAS, the NJ Economic Development Authority (EDA) has significant experience and expertise in undertaking redevelopment projects, FMERA's enabling legislation authorized FMERA to enter into designated redevelopment agreements with EDA for property within Fort Monmouth; and

WHEREAS, in July 2016 the FMERA Board authorized staff to enter into a Memorandum of Understanding (MOU) with the EDA for Site Acquisition and Environmental Remediation and Demolition Consulting Services with respect to the property; and

WHEREAS, EDA retain T&M Associates to prepare plans and specifications for the remediation and demolition of the Myer Center and other improvements on the Property; and

WHEREAS, on June 26, 2017, EDA staff issued an Invitation to Bid on Abatement, Demolition and Site Improvements with respect to the Property, and received its Board's approval to enter into a Contractor Agreement with the low bidder, Tricon Enterprises, on September 14, 2017; and

WHEREAS, FMERA and EDA staff have negotiated the terms of a proposed PSA whereby EDA will fund and manage asbestos and lead-based paint abatement and demolition of the 750,000± sf of buildings on the Property in return for title to the 36.3-acre site, pursuant to the terms in the attached memorandum; and

WHEREAS, FMERA agrees to execute a mortgage on the Property in the amount of EDA's \$7.3 million Board-approved budget, and EDA will release the mortgage proportionately upon sale to each redeveloper; and

WHEREAS, pursuant to the FMERA Act, EDA and FMERA will negotiate a Designated Redevelopment Agreement for each Board's consideration, and EDA will negotiate and execute redevelopment agreements with each purchaser or assignee; and

WHEREAS, the Real Estate Committee has reviewed the PSA and recommends approval by the Board;

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached memorandum, the Board authorizes entering into the Purchase and Sale Agreement between FMERA and the NJ EDA with respect to Parcel F-1 in Fort Monmouth, and the execution of a note and mortgage on the Property, with final terms of the agreement subject to approval by 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. 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 20, 2017

EXHIBIT 9

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Purchase & Sale Agreement with the New Jersey Economic Development Authority with respect to Parcel F-1 in Tinton Falls

DATE: September 20, 2017

Request

I am requesting that the Board authorize: (i) the execution of a Purchase & Sale Agreement (“PSA”) between the Authority and the New Jersey Economic Development Authority (“EDA”) for Parcel F-1, an approximately 36.3-acre parcel in the Tinton Falls section of the Fort that includes Building 2700, also known as the Myer Center, and Building 2705, the former Night Vision Lab (the “Property” or “Parcel F-1”); and (ii) the execution of a note and mortgage on the Property as further outlined below.

Background

The Tinton Falls Reuse Area contains several prominent buildings, including Building 2700, the 673,540± gsf Myer Center, and Building 2705, the 43,230± gsf former Night Vision Lab, both of which are slated to be renovated for office, data center and/or research & development uses in the Fort Monmouth Reuse and Redevelopment Plan (“Reuse Plan”). These facilities, along with their support buildings and parking fields, cover 36.3± acres (see parcel map attached). Known as Parcel F-1, this 36.3± acre tract is a Phase One property in FMERA’s June 25, 2012 Economic Development Conveyance Agreement with the Army (“EDC Agreement”). With the exception of a 0.285 acre environmental carve-out area (“ECP 16”), FMERA took ownership of Parcel F-1 from the Army by deed dated May 29, 2014.

While FMERA has encountered limited interest in the buildings due to their size and age, it has received inquiries about the site given the Property’s excellent location adjacent to the Garden State Parkway. The existing buildings, however, are a significant impediment to redevelopment, due to their poor condition and the scale of the required demolition. This was borne out by FMERA’s December 5, 2014 Request for Offers to Purchase for the Property, which resulted in no offers from developers or users.



Last year, EDA and FMERA staff began to explore how the parties could work together to facilitate development of the Property. EDA possesses substantial and significant experience managing large scale demolition and redevelopment projects across the state. Because of EDA's experience and expertise in undertaking redevelopment projects, FMERA's enabling legislation authorized it to enter into designated redevelopment agreements with EDA for property within Fort Monmouth, allowing for EDA's active role in the redevelopment effort.

In July 2016, the Board authorized staff to enter into a Memorandum of Understanding with EDA for Site Acquisition and Environmental Remediation and Demolition Consulting Services ("MOU") with respect to the Property, and EDA subsequently retained T&M Associates to prepare plans and specifications for the remediation and demolition of the Myer Center and the other improvements on the Property. Subsequently, on June 26, 2017, EDA staff issued an Invitation to Bid on Abatement, Demolition and Site Improvements with respect to the Property, and received its Board's approval to enter into a Contractor Agreement with the low bidder, Tricon Enterprises, on September 14, 2017. To facilitate demolition, and in accordance with the MOU, FMERA obtained the Army's consent to convey the Property to EDA for \$1.00 through an October 2016 amendment to the EDC Agreement.

The Purchase & Sale Agreement

FMERA and EDA staff have negotiated the terms of a proposed PSA whereby EDA will fund and manage asbestos and lead-based paint abatement and demolition of the 750,000± sf of buildings on the Property in return for title to the 36.3-acre site.

EDA will have the right but not the obligation to purchase or assign the property, including ECP 16, the 0.285 acre environmental carve-out area, in whole or in part within 10 years. The PSA would allow EDA to assign the agreement in whole or in part to an assignee(s) without taking title; the assignee(s) must agree to take the Property "as is, where is" and also hold FMERA and EDA harmless. The federally-required Homeless Trust payment of \$20,055/acre would be paid by EDA's assignee(s) at closing, provided however that in the event the Property has not been sold to an end user within five (5) years, EDA will pay FMERA fifty (50%) percent of the Homeless Trust payment at that time. EDA will be entitled to a Due Diligence Period of 180 days so that it can confirm the acceptability of the Property. FMERA may convey ECP 16 to EDA or its assignee(s) at a subsequent closing upon the Army's completion of remediation and confirmation of environmental clearance.

FMERA agrees to execute a mortgage on the Property in the amount of EDA's \$7.3 million Board-approved budget, and EDA will release the mortgage proportionately upon sale to each redeveloper. The mortgage will remain on the Property until all parcels are sold or EDA forgives any remaining amount due. If through the sale(s) or assignment EDA nets more than the total funds expended under its approved budget, plus out of pocket carry costs, return of 5% and environmental remediation costs, if any, it will share the proceeds equally with FMERA. FMERA will provide marketing and property management services until the entire Property is sold; these costs will be reimbursed after EDA is paid and before the split of any net proceeds.

Pursuant to the FMERA Act, EDA and FMERA will negotiate a Designated Redevelopment Agreement for each Board's consideration, and EDA will negotiate and execute redevelopment agreements with each purchaser or assignee.

Attached for your review is a substantially final form of the PSA. The final form of the PSA will be subject to the approval of the Executive Director and the Attorney General's Office. The Real Estate Committee has reviewed the request and recommends Board approval. At its September Board meeting, the EDA approved the PSA, the budget for the demolition and the award of the demolition contract.

Recommendation

In summary, I am requesting that the Board authorize: (i) the execution of a Purchase & Sale Agreement between the Authority and the New Jersey Economic Development Authority for Parcel F-1, an approximately 36.3-acre parcel in the Tinton Falls section of the Fort that includes Building 2700, also known as the Myer Center, and Building 2705, the former Night Vision Lab; and (ii) the execution of a note and mortgage on the Property on final terms acceptable to the NJEDA's President/Chief Operating Officer, FMERA's Executive Director and the Attorney General's Office.

Bruce Steadman

Prepared by: Candice A. Valente and David E. Nuse

FORT MONMOUTH ECONOMIC REVITALIZATION AUTHORITY

RESOLUTION AUTHORIZING THE ISSUANCE OF UP TO \$26,500,000, AGGREGATE PRINCIPAL AMOUNT OF NOTES THROUGH THE MONMOUTH COUNTY IMPROVEMENT AUTHORITY RELATED TO THE REFUNDING OF THE IMPROVEMENT AUTHORITY'S 2016 NOTES, THE PROCEEDS OF WHICH FINANCED THE AUTHORITY'S PURCHASE OF THE PHASE 2 ECONOMIC DEVELOPMENT CONVEYANCE PROPERTIES FROM THE UNITED STATES ARMY, DELEGATING TO AUTHORIZED OFFICERS THE AUTHORITY TO EXECUTE ANY RELATED FINANCING DOCUMENTS AND AUTHORIZING THE AUTHORIZED OFFICERS TO DO ALL OTHER THINGS DEEMED NECESSARY OR ADVISABLE IN CONNECTION WITH THE ISSUANCE OF SUCH NOTES

WHEREAS, the Fort Monmouth Economic Revitalization Authority (the "Authority") is a body corporate and politic, constituting a political subdivision organized and existing under and by virtue of the laws of the State of New Jersey, and created pursuant to the provisions of the Fort Monmouth Economic Revitalization Act, being Chapter 51 of the Pamphlet Laws of 2010, as amended and supplemented; and

WHEREAS, the Authority was formed to advance the plan for reuse and redevelopment of Fort Monmouth located in parts of the Boroughs of Eatontown, Oceanport and Tinton Falls, New Jersey; and

WHEREAS, in furtherance of plan the Authority purchased certain land and buildings from the United States Army (the "2016 Project"); and

WHEREAS, in order to finance the 2016 Project The Monmouth County Improvement Authority (the "Improvement Authority") issued its Governmental Loan Project Notes, Series 2016 (Monmouth County Guaranteed) (Fort Monmouth Economic Revitalization Project) (the "2016 Notes") and lent the proceeds thereof to the Authority pursuant to a Loan Agreement by and between the Improvement Authority and the Authority (the "Loan Agreement"); and

WHEREAS, the principal amount of 2016 Notes which remain outstanding mature on November 15, 2017; and

WHEREAS, the Authority has requested that the Improvement Authority issue its Governmental Loan Project Refunding Notes, Series 2017 (Monmouth County Guaranteed) (Fort Monmouth Economic Revitalization Project) (the "2017 Notes") in one or more series and to use the proceeds of the 2017 Notes to refund all of the outstanding 2016 Notes (the "2017 Project"); and

WHEREAS, the Improvement Authority will issue the 2017 Notes, subject to certain conditions, and loan the proceeds of the 2017 Notes to the Authority pursuant to a Loan Agreement by and between the Improvement Authority and the Authority (the "Loan Agreement"); and

WHEREAS, the Authority to evidence its obligations under the Loan Agreement will execute and deliver to the Improvement Authority one or more notes thereunder (the “FMERA Note”); and

WHEREAS, the County of Monmouth (the “County”), as additional security for the 2017 Notes has agreed to continue its unconditional, irrevocable guaranty (the “County Guaranty”) of payments on the 2017 Notes in the event the Authority fails to make the required payments under the Loan Agreement; and

WHEREAS, to memorialize certain agreements and covenants of the Authority with respect to the County Guaranty, the County and the Authority have heretofore entered into a Reimbursement Agreement (the “Reimbursement Agreement”); and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE FORT MONMOUTH ECONOMIC REVITALIZATION AUTHORITY (the “Board”):

1. The Board hereby authorizes the Executive Director, the Chairman or Vice Chairman and/or the Secretary or Assistant Secretary (the “Authorized Officers”), with the advice of counsel, without any further action of the Board, to execute and deliver the Loan Agreement, the FMERA Note and the Reimbursement Agreement or such modifications to the existing Loan Agreement or Reimbursement Agreement as may be determined by the County to be necessary, in such form as may be reviewed and approved by one or more Authorized Officers, with the advice of counsel, whose execution thereof shall be conclusive evidence of such approval.

2. The Board hereby authorizes the execution and delivery of a Contract of Purchase by and among Raymond James & Associates, Inc., the Authority, the Improvement Authority and the County (the “Purchase Contract”), in such form as may be reviewed and approved by one or more Authorized Officers, with the advice of counsel, whose execution thereof shall be conclusive evidence of such approval.

3. The Board hereby authorizes the execution and delivery of an escrow agreement to be dated on or about the date of issuance of the 2017 Notes (the “Escrow Agreement”), in such form as may be reviewed and approved by one or more Authorized Officers, with the advice of counsel, whose execution thereof shall be conclusive evidence of such approval.

4. The Board authorizes the preparation, execution and delivery of any Continuing Disclosure Agreement, to be dated on or about the date of issuance of the 2017 Notes (the “Continuing Disclosure Agreement”, and together with the Loan Agreement, the Reimbursement Agreement, the FMERA Note, the Purchase Contract and the Escrow Agreement, the “Transaction Documents”), in such form as may be reviewed and approved by one or more Authorized Officers, with the advice of counsel, whose execution thereof shall be conclusive evidence of such approval. The Authority covenants to provide such continuing disclosure, at such times, in such manner and of such nature as is described in the Continuing Disclosure Agreement.

5. The Board hereby authorizes the preparation and distribution of one or more Preliminary Official Statement(s), Official Statement(s) or other disclosure documents in connection with the marketing and sale of the 2017 Notes. Any Authorized Officer is hereby authorized and directed to execute and deliver such disclosure documents on behalf of the Authority.

6. The Authorized Officers are hereby further authorized, empowered and directed on behalf of the Authority: (a) to approve, execute, acknowledge and deliver, and cause the corporate seal of the Authority to be affixed thereto, duly attested by the Secretary or Assistant Secretary, any and all documents, certificates, instruments and agreements related to or as may be otherwise necessary or appropriate to effectuate the 2017 Project or the execution and delivery of the Transaction Documents, and (b) to do or cause to be done any and all acts and things necessary and proper for the execution and carrying out of the purposes of this resolution or the 2017 Project.

7. The Board hereby ratifies, confirms and affirms any and all prior actions taken by any employee, officer, official or agent on behalf of the Authority with respect to the 2017 Project and the Transaction Documents and any related certificates authorized by this Resolution.

8. This Resolution shall take effect immediately upon its adoption and shall remain in full force and effect until revoked or a subsequent resolution with respect to the subject matter hereof is adopted.

9. All prior resolutions or parts thereof inconsistent herewith are hereby repealed.

DULY ADOPTED THIS _____ DAY OF SEPTEMBER, 2017, BY THE BOARD OF THE FORT MONMOUTH ECONOMIC REVITALIZATION AUTHORITY, IN LAWFUL SESSION DULY ASSEMBLED.

(Vice) Chairman

(Seal)

Attest:

(Assistant) Secretary

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Authorization to Rollover Notes through the Monmouth County Improvement Authority in connection with FMERA's Purchase of the Phase 2 Properties

DATE: September 20, 2017

Request

I am requesting that the Members authorize the issuance of subsequent notes in an amount not to exceed \$26.5 million through the Monmouth County Improvement Authority ("MCIA") related to the financing of FMERA's 2016 purchase of the Phase 2 Economic Development Conveyance properties from the Army. I am also requesting that the Members delegate to the Executive Director authority to execute any related financing documents required by MCIA, the County of Monmouth or U.S. Bank National Association (the "Trustee") in connection with the rollover.

Background

At the October 2016 meeting, the Board authorized financing for the purchase of the Phase 2 properties through MCIA. The financing structure entailed MCIA's issuance of short-term, fixed-rate, taxable notes to provide the consideration to be paid to the Army, along with the cost of issuance. The original principal amount of the notes was \$33,525,000 million, divided between two series, 2016A in the amount of \$10,155,000 million and which was callable in whole or in part, after six months, and 2016B, in the amount of \$23,370,000 million. Interest on the notes and expenses is payable by FMERA on a current basis, with the notes expected to be rolled over annually as one-year or multiple-year obligations. As of the November 15, 2017 initial note maturity date, FMERA will have paid down approximately \$9.6 million in principal of the 2016A Notes as a result of the sale of three parcels: Officer Housing, Russel Hall and the Fitness Center. The remaining principal balance on the notes are expected to be repaid by FMERA from a portion of the sale proceeds of Phase 2 parcels over the next four years. The County's Board of Chosen Freeholders has authorized a payment guaranty for the notes for five years, i.e. through November 2021. The County holds a mortgage against the Phase 2 parcels which is released on a parcel by parcel basis as and when FMERA is ready to convey individual parcels to third party purchasers. During the five-year term of the County's guaranty, the Notes are expected to be rolled over so that principal payments are made by FMERA from and only to the extent that sale proceeds are available. If any principal balance remains at the end of the five-year loan term, the balance will



become a general obligation of the Authority and FMERA's options will be to either: (i) renegotiate and extend the guarantee; (ii) refinance the balance through a third-party lender; or (iii) pay off the balance from cash on hand.

On each one-year anniversary of the issuance of the initial notes, MCIA has to take action to issue subsequent notes to refund the notes that mature and cover issuance costs. Based on FMERA's anticipated redemption of \$9.6 million in notes by November, the amount of the subsequent notes to be issued in November 2017 is anticipated to total approximately \$25 million plus the cost of issuance, but not to exceed \$26.5 million.

FMERA staff anticipates that 2018 Phase 2 land sales, net of required Homeless Trust and real estate commission payments, will total approximately \$7 million, generating about \$1.8 million for principal reduction. We project that 2019 Phase 2 net sale proceeds will reach \$38 million. Consequently, staff is recommending that one or two series of notes be issued on a taxable basis for a two-year term, allowing for an early redemption after 18 months. This financing plan was reviewed by the Audit Committee at its meeting of September 19, 2017, and the Committee recommends its approval by the Board. Staff is requesting authority, subject to Audit Committee concurrence, to adjust the term and other details of the financing plan prior to the November maturity date if warranted by changing economic conditions.

Although FMERA will not be a signatory to the official statement and contract of purchase, we are obligated to review those documents and confirm the accuracy of any statements pertaining to the Authority. The official statement and contract of purchase will be finalized closer to the date of issuance. I am requesting that the Members delegate to the Executive Director authority to approve those documents, subject to their review and approval by the Attorney General's Office and our special counsel, Robert Tuteur of Eckert Seamans.

Recommendation

In summary, I am requesting that the Board authorize the issuance of up to \$26.5 million in subsequent notes through the Monmouth County Improvement Authority related to the financing of FMERA's 2016 purchase of the Phase 2 Economic Development Conveyance properties from the Army, and delegate to the Executive Director authority to execute any related financing documents required by MCIA, the County of Monmouth or U.S. Bank National Association in connection with the rollover.

Bruce Steadman

Prepared by: Jennifer Lepore & David E. Nuse