



TO: Members of the Board

FROM: Bruce Steadman
Executive Director and Secretary

DATE: January 21, 2015

SUBJECT: Agenda for Board Meeting of the Authority

1. **Call to Order – James V. Gorman, Chairman**
2. **Pledge of Allegiance**
3. **Notice of Public Meeting - Roll Call – Bruce Steadman, Secretary**
4. **Approval of Previous Month’s Board Meeting Minutes**
5. **Welcome – James V. Gorman, Chairman**
6. **Secretary’s Report**
7. **Treasurer’s Report**
8. **Public Comment Regarding Board Action Items**
9. **Executive Director’s Report:**
 - Update on Meetings with Army Representatives
 - Update on Requests for Proposals (RFPs) and Contracts
 - Update on Requests for Offers to Purchase (RFOTPs)
 - Update on Marketing Effort
 - Action Items for Next Month
10. **Committee Reports**
 - Audit Committee – Robert Ades, Chairman
 - Real Estate Committee – James V. Gorman, Chairman
 - Environmental Staff Advisory Committee – Kenneth J. Kloo, Chairman
 - Historical Preservation Staff Advisory Committee – Robert Ades, Chairman
 - Housing Staff Advisory Committee – Gina Fischetti, Chairwoman
 - Veterans Staff Advisory Committee – Lillian Burry, Chairwoman

11. **Other Board Actions**

- Consideration of Approval of to Make an Expanded Parcel B Available through the Offer to Purchase Process
- Consideration of Approval to Make the Building 2525 Parcel Available through the Offer to Purchase Process
- Consideration of Approval to Make the Nurses' Quarters Parcel Available through the Offer to Purchase Process
- Consideration of Approval to Extend the Exclusive Negotiations Period for a Purchase Agreement Pursuant to the RFOTP for Parcels C and C1
- Consideration of Approval of an Addendum to the Auction Terms and Conditions of Sale

12. **Other Items**

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

- Responses to questions submitted online or in writing

14. **Executive Session – OPMA EXEMPTION N.J.S.A. 10:4-12b(5) and (7):** Update on Real Estate and Contract Negotiations with the Army

15. **Adjournment**

Fort Monmouth Economic Revitalization Authority
Board Meeting
December 17, 2014
FMERA Offices, 502 Brewer Avenue, Oceanport, NJ

MINUTES OF THE MEETING

I. Members of the Authority present:

- James V. Gorman, Chairman, Fort Monmouth Economic Revitalization Authority (FMERA) - V
- Robert Ades, Vice Chairman, Public Member – V
- Michael Collins, Assistant Counsel, Authorities Unit, Office of the Governor – V
- Lillian Burry, Monmouth County Freeholder – V
- Gerald Tarantolo, Mayor of Eatontown – V
- Gerald Turning, Mayor of Tinton Falls – V
- Michael Mahon, Mayor of Oceanport – V
- Tim Lizura, President and COO, NJ Economic Development Authority (NJEDA) – V
- John Raue, Senior Policy Advisor to the Commissioner, NJ Department of Labor & Workforce Development (DOL)
- Jonathan Lowy, Regional Manager, Government and Community Relations, NJ Transit (NJT)

V - Denotes Voting Member

Members Not Present

- Dr. Robert Lucky, Public Member – V
- Gina Fischetti, Chief Counsel, Local Planning Services, NJ Department of Community Affairs (DCA)
- Kenneth J. Kloo, Director, Site Remediation Program, NJ Department of Environmental Protection (DEP)

Also present:

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

II.

The meeting was called to order by Chairman James V. Gorman at 7:02p.m., who led the meeting in the Pledge of Allegiance.

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

The first item of business was the approval of the November 12th meeting minutes. A motion was made to approve the minutes by Lillian Burry and seconded by Gerald Turning.

Motion to Approve: LILLIAN BURRY Second: GERALD TURNING
AYes: 7

Mayor Tarantolo abstained from voting stating that he was not at the November meeting.

III. WELCOME

Chairman James V. Gorman welcomed attendees to the meeting. Mr. Gorman stated that copies of the Board package were available at the door, and in response to public comment the Board package was posted to the FMERA website in the afternoon to give the public the opportunity to review the information in advance of the meeting. Mr. Gorman stated that the Board's public comment protocol established at the February Board meeting will continue to be followed.

Mr. Gorman stated that tonight's meeting would be the last for Mayor Tarantolo of Eatontown. Mr. Gorman thanked Mayor Tarantolo on behalf of the Board and the Authority for his years of service to the community and his assistance with the difficult closure of Fort Monmouth and the adverse impacts related to the closure. Mr. Gorman thanked Mayor Tarantolo for his advice, counsel, ideas for economic improvement, and public mindedness in addressing the many problems which have arisen during our efforts to take the economic impacts handed to us via Base Closure and Realignment Commission (BRAC). Mr. Gorman gave best wishes to Mayor Tarantolo in his future endeavors and thanked him for his service.

Freeholder Burry stated that she has been a Board member with Mayor Tarantolo from the very beginning of FMERPA. Ms. Burry stated that he will be missed terribly, and that it was a pleasure working with him.

Tim Lizura stated that it has been a pleasure to hear Mayor Tarantolo's insightful comments that were always well thought out, and it has been an honor to have served with him.

Mayor Mahon stated that he has had the pleasure of working with Mayor Tarantolo since 2008, not only as a Board member but also as a member of the Two Rivers Council of Mayors of which Mayor Tarantolo served as the Chairman. Mayor Mahon stated that the Council is important in that it collaborates with 14 communities. Mayor Mahon stated that there have been many achievements on the Council and on the FMERA Board that Mayor Tarantolo helped with, and Mayor Mahon thanked Mayor Tarantolo for his service.

Mayor Turning stated that it has been an honor and a privilege to know Mayor Tarantolo. Mayor Turning stated that Mayor Tarantolo gives a historic perspective which no one can replace. Mayor Turning stated that the knowledge that Mayor Tarantolo has given to other Board members is invaluable. Mayor Turning stated that he will miss him and wished Mayor Tarantolo and his family well.

Mayor Tarantolo stated that he was very moved by all the comments and recognition. Mayor Tarantolo stated that he was very comfortable and confident with the Board in place, and is looking forward to the redevelopment efforts.

Mr. Gorman stated that there were four Board Actions: Consideration of Approval of FMERA's 2015 Budget and Authorization of FMERA's Executive Director to submit Grant Requests to the Office of Economic Adjustment (OEA) as necessary; Consideration of Approval to Terminate the Offer to Purchase Process for Russel Hall and Approval to issue a new Request for Offers to Purchase (RFOTIP) for Russel Hall; Consideration of Approval to extend the Exclusive Negotiations period for a Purchase Agreement Pursuant to the RFOTIP for Officer Housing and; Consideration of Approval to make the Child Development Center available through the Offer to Purchase Process.

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

IV. SECRETARY'S REPORT

Mr. Steadman stated that DAG Gabriel Chacon must recues himself regarding the Board Action to extend the Exclusive Negotiations period for a Purchase Agreement pursuant to the RFOTP for Officer Housing.

V. TREASURER'S REPORT

Bruce Steadman, on behalf of Beverlee Akerblom, stated that FMERA presented the 2015 FMERA budget to the Audit Committee at their December meeting. Based on their review, the Audit Committee recommended that the 2015 Consolidated Budget be submitted to the Authority at tonight's meeting. Mr. Steadman gave an overview of the budget highlights:

- Favorable budget variance is projected for the Authority's fiscal year 2014.
- 2014 Grant revenue lower than budgeted as operating expenses were lower than projected.
- EDC expenses are under budget for 2014 due to the slower than projected transfer of the Phase 1 property

Mayor Mahon asked what the Interest on Bonds Payable line item included. Dave Nuse explained that it represents interest only on bonds or notes issued to fund FMERA's purchase of the Phase 2 property from the Army. The figure is for approximately a half year of interest, assuming the bonds or notes would be sold in mid-2015. The current plan is to structure the financing as interest-only for 2015 and 2016, with principal payments starting in 2017.

VI. PUBLIC COMMENT REGARDING BOARD ACTION ITEMS [3 minutes re: Agenda Items]

Richard Clark of Eatontown asked if there are plans to develop a 55 and over community. Mr. Clark asked if the residential development will affect the tax rate if additional schools need to be built.

Tom Mahedy of Wall Township asserted that Bruce Steadman should take a pay cut because he does not answer his questions. Mr. Mahedy asserted that the NJEDA is stealing money from citizens to give corporations tax breaks and gifts. Mr. Mahedy asked if Kiely Realty Group is no longer involved with Russel Hall will they be permitted to be involved with other properties on the Fort. Mr. Mahedy asserted that there is organized crime involved in the redevelopment. Mr. Mahedy stated that he is in favor of the Child Development Center which should be used for public use and not go to a corporation. Mr. Mahedy gave best wishes to Mayor Tarantolo. Mr. Mahedy stated that Eatontown has been treated very badly by not allowing Wampum Lake to be cleaned up.

Dave Nuse answered Richard Clark by stating that FMERA has had interest from developers for 55 and over communities. Mr. Nuse stated that FMERA staff has no objection to such a community but at present there are no properties on the Fort that are aged targeted. Mr. Nuse stated that the goal is for each project to pay full taxes, and that the impact of projects on the municipalities and their school districts is taken into account in evaluating proposals.

Mr. Steadman stated that when a project is identified as viable, FMERA does meet with the borough representatives to discuss the ramifications of the projects and how best the projects can be modified to benefit the community without minimal impact.

Mr. Steadman answered Mr. Mahedy by stating that he does answer all his questions but not his accusations which have been discussed at many previous meetings. Mr. Steadman stated that he does not know if the Kiely Realty Group will submit proposals for future projects. Mr. Steadman refuted and resented Mr. Mahedy's assertions regarding organized crime, and stated that such unfounded accusations harm the integrity of the Board and FMERA staff. Mr. Steadman stated that the NJEDA programs are available to many businesses within the State to retain employees, and they are used to attract new business to the State.

Mr. Steadman noted that he emailed answers to Mr. Mahedy's questions from the last Board meeting. This email was sent to Mr. Mahedy on November 17th.

Jonathan Lowy arrived at 7:25p.m.

VII. EXECUTIVE DIRECTOR'S REPORT

Rick Harrison, Director of Facilities Planning gave the following updates:

Update on Meetings with Army Representatives

FMERA and the Army have been holding discussions including weekly Tuesday morning conference calls with all involved Army organizations, since 2012 on the future transfer of the balance of the Main Post, to be accomplished under a Phase 2 Memorandum of Agreement (MOA). After receiving support from the Board for the proposed terms negotiated by FMERA staff and Army representatives for the Authority's acquisition of the balance of the Main Post, staff submitted the Phase 2 Economic Development Conveyance application on July 1, 2014, and it is currently under review by the Army. A draft MOA is currently under review by staff and the Army. FMERA's goal is to review a draft with the Board in January and to seek approval from the Board to execute the Phase 2 MOA with the Army in February 2015 and to execute in March.

Update on RFPs and Contracts

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

Auctioneer

FMERA has held five auction events on October 1st, 15th, and 29th, and December 10th and 11th. The auctions have been orderly and FMERA expects they will be profitable although final numbers have not been tabulated. All net proceeds will be invested in the redevelopment in accordance with State and Federal regulations. FMERA expects to continue with additional auctions starting up again in March.

Suneagles

The golf course will open through the winter however play has slowed. The membership drive is coming to a close and has been successful. Promised improvements to the course are well along. FMERA has also been addressing some significant maintenance issues at Gibbs Hall.

Property Management/Maintenance

FMERA's property management/maintenance team, Chenega Operations Services, has been quite busy helping our auctioneer team, and keeping our property presentable and secure for both marketing purposes and for keeping our employees and tenants safe and comfortable. Chenega continues to work with us to improve the Howard Commons area as well. Most of the buildings have been vacant going on three years and despite the best efforts of the Army Caretakers many are starting to deteriorate and experience equipment malfunction. This has also kept our maintenance team busy. Please note - Corregidor Road and Pearl Harbor Avenue are open to the public and now being maintained by the Borough of Tinton Falls. The area south of Corregidor and east of Pearl Harbor has been cordoned off from traffic for security and protection of the remaining assets in that area. We are also reconfiguring some of the utility infrastructure to minimize usage and expense and to wean ourselves off of the Army utility systems and onto the public utilities. I would also report that the Army and its caretaker force has been of assistance to us and our maintenance team, as well as keeping the Phase 2 Main Post Property marketable and safe and secure.

Dave Nuse, Director of Real Estate Development gave the following update on the Request for Offers to Purchase:

In Tinton Falls, there are seven RFOTPs that have been issued or will be issued by the end of the year. They include:

- Satellite Drive parcel, a 1.5 acre building lot zoned for office, research or institutional use. Two responses were received on October 17th.
- CW Firehouse on Corregidor Road across from CommVault, built in 2001 and totaling 11,000 sf, adaptable for retail, restaurant or other commercial uses. The RFOTP was issued on November 14th and responses are due January 12th.
- Parcel F-1, a 38 acre site at Corregidor Road and Pearl Harbor Avenue that includes the Myer Center and Building 2705. The Parcel is zoned for office/R&D and is also suitable for sports/recreation/entertainment uses. The RFOTP was issued on December 5th and responses are due March 6th.
- Parcel F-2, a 15-acre site proposed for Veterans Housing. The RFOTP was issued on December 12th and responses are due March 13th.
- Parcel F-3, a gas station and convenience store on Hope Road, just north of Pinebrook Road. The RFOTP is to be issued in January 2015.
- Former Child Development Center, a 20,000 sf facility built in 1996 that is adaptable for office use located on the corner of Hope Road and Corregidor Road, next to the new Commvault world headquarters. The RFOTP is to be issued in January 2015.
- Building 2525, and 81,340 sf office building renovated in 1999. The RFOTP is to be issued in February 2015.

In Eatontown, FMERA plans to issue the following RFOTPs:

- Howard Commons, a 64-acre site on Pinebrook Road, zoned for 275 townhouses and up to 15,000 sf of retail space on Hope Road. The RFOTP is to be issued in December 2014.
- Parcel B, a 75-acre mixed use town center parcel fronting Route 35, which will accommodate up to 250,000 sf of retail space and 302 housing units. The RFOTP is to be issued in January 2015.
- Suneagles Golf Course, an 18-hole course designed by A.W. Tillinghast which includes a 10-acre area zoned for construction of a new 150-room hotel and 25,000 sf of conference space. The RFOTP is to be issued in the Spring of 2015.
- Bowling Alley, a 20-lane, 18,000 sf facility on Saltzman Avenue, a future county road. The RFOTP is to be issued in the Spring of 2015.
- Expo Theater, a 900-seat, 19,000 sf theater, also on Saltzman Avenue. The RFOTP is to be issued in the Spring of 2015.

In Oceanport, FMERA plans to issue the following RFOTPs:

- Russel Hall, a 42,300 sf office/administration building in the Fort's historic district. The RFOTP is to be issued in January 2015.
- Main Post Chapel, a 16,000 sf house of worship with a 600 seat sanctuary, a church hall and kitchen, and administrative and classroom wings. The RFOTP is to be issued in January 2015.
- Building 552, the 16,000 sf former recreation center located within the Fort's future tech campus, located across the street from the Chapel and suitable for a café, restaurant or micro-brewery. The RFOTP is to be issued in January/February 2015.
- Building 555, located on a 3.5 acre lot across Sherrill Avenue from Squier Hall, which is projected for tear-down and replacement with a technology or office use. The RFOTP is to be issued in the Spring of 2015.
- Squier Hall and its surrounding buildings totaling about 125,000 sf, zoned for office or educational use. The RFOTP is to be issued in the Spring of 2015.
- Nurses Quarters, consisting of 24 housing units on Main Street, adjacent to the former Patterson Army Hospital. The RFOTP is to be issued in the Spring of 2015.

Mr. Nuse gave the following update on FMERA's marketing efforts of the Fort:

- Continued work with our marketing consultant, Weblinx, Inc., on the refinement of the FMERA brand and the redesign of our website. FMERA holds weekly conference calls with Weblinx and hopes to launch our newly designed website shortly after the new year.

- FMERA has responded to several press inquiries, and the Fort's redevelopment was featured in the Asbury Park Press and Star Ledger over the past month.
- FMERA continues to work with Cushman & Wakefield (Cushman), the Authority's Master Broker, to market the Fort property. FMERA and Cushman conduct, on average, a half a dozen tours per week. The level of interest in the Fort property remains high.

Please refer to our website, www.fortmonmouthredevelopment.com, for more information.

Bruce Steadman thanked Mayor Tarantolo on behalf of the FMERA staff. Mr. Steadman stated that it has been great working with him and he is a gentleman and very respectful during all our meetings. Mr. Steadman stated that Mayor Tarantolo helped establish good working relationships with Eatontown that will continue into the future.

Mr. Steadman stated that the Board will be receiving the Historical District Guidelines and the Open Space plan at a future Board meeting. Mr. Steadman thanked the County, Eatontown, Tinton Falls and Oceanport on the continued meetings that we have with them monthly. Mr. Steadman thanked Army Site Manager, John Occipinti and his staff, the New Jersey State Police and the Oceanport Police for their support throughout the year.

Mr. Steadman concluded the report with the following action items:

- Continued work with the N.J. Department of Environmental Protection and Langan-Matrix 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

VIII. COMMITTEE REPORTS

a) AUDIT COMMITTEE (ROBERT ADES, CHAIRMAN):

Robert Ades stated that the Committee met on December 8th and discussed the following:

- Overview of the Draft 2015 Consolidated Budget and discussion regarding the EDC Budget being funded through parcel sales, revenue and other miscellaneous revenue.
- Discussion regarding process for closing on property and FMERA staff's continued work on streamlining the process to speed up the sales of properties.
- Review and discussion regarding the Revenue paths for 2015.
- Review and discussion regarding the Program Costs of \$4.2 million included in the budget summary that relate to property management and maintenance.
- Discussion related to setting aside sales proceeds to fund the Homeless Fund obligations.
- Discussion regarding the prevailing wage requirements set forth in the FMERA statute as they relate to current and anticipated RFOTPs.
- The Committee reached a consensus and agreed to recommend approval to the Board on the Draft 2015 Consolidated Budget.

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

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

- Overview and discussion regarding the request to terminate exclusive negotiations with Kiely Realty, LLC close out the Offer to Purchase process and issue a new RFOTP for Russel Hall. The Committee reached a consensus and agreed to recommend approval to the Board. Mayor Mahon abstained from

recommending stating that he received a letter from the Oceanport Municipal counsel for municipal use of Russel Hall.

- Overview and discussion regarding extending exclusive negotiations with RPM Development, LLC for the Officer Housing. The Committee reached a consensus and agreed to recommend approval to extend the exclusive negotiations period until February 28, 2015.
- Overview and discussion to make the Child Development Center (CDC) available through the Offer to Purchase process. FMERA received a letter from the Tinton Falls School District that they are no longer interested in the building. The Committee reached a consensus and agreed to recommend approval to make the CDC available through the offer to purchase process.
- Discussions regarding the following projects:
 - Phase 2 EDC negotiations with the Army
 - FMERA's new website
 - Main Post Lodging parcel
 - Fabrication Shops
 - Marina
 - Parcels C & C1
 - Current and Upcoming RFOTPs
 - Senate Bill 2571
 - Prevailing wage obligations under the FMERA Statute

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

Bruce Steadman, on behalf of Kenneth J. Kloo, stated that the Committee met on December 1st and discussed the following:

- Overview and discussion regarding the environmental conditions at Parcel F-2, the Veterans Community and Parcel F-3, the former gas station in Tinton Falls.
- Discussion regarding the 34 carve-outs, some of which are landfills to obtain a No Further Action (NFA) letter.
- Update on the Unregulated Heating Oil Tank (UHOT) issues in particular where the Federal law stops and the State law begins.
- Update on the upcoming RFOTPs.

d) HISTORICAL PRESERVATION STAFF ADVISORY COMMITTEE (ROBERT ADES, CHAIRMAN):

Robert Ades stated that the Committee met on November 13th and December 3rd and discussed the following:

- Review of Mandatory Conceptual Review submitted by RPM Development for the Officers Housing. MCR must be submitted prior to or simultaneously with the Oceanport Planning Board application.
- Discussion on Historic District Design Guidelines. The guidelines are being prepared by Phillips Preiss Grygiel (PPG) and will be discussed at the December 3rd Committee meeting.
- The Committee had a working session to review and discuss the Historic District Design Guidelines with PPG. The Committee members submitted revisions and comments to FMERA and PPG. The Committee will meet in January to finalize the guidelines after all the input has been received.

Mayor Mahon stated that he would like the Oceanport Planning Board to review the Historical District Design Guidelines before they are finalized.

e) HOUSING STAFF ADVISORY COMMITTEE (GINA FISCHETTI - CHAIRWOMAN):

Bruce Steadman, on behalf of Gina Fischetti, stated that the Committee met on November 17th and discussed the following:

- Discussion regarding Officer Housing and a status update on RPM's development of the property. RPM has submitted their Mandatory Conceptual Review for approval. The renovations to the property will be done on the interiors of the housing and will begin on the Southern portion of the property. RPM and FMERA anticipate having the Purchase and Sale Agreement executed by January, 2015.
- Discussion regarding Howard Commons and the reissuance of the RFOTP. The timeline between the issuance of the RFOTP and closing with the developer will reflect the urgency to demolish the existing buildings.
- Discussion regarding Parcel B and the reissuance of the RFOTP. FMERA continues to market the property to prospective developers.
- Discussion regarding Parcels C & C1 and the continued exclusive negotiations between FMERA and Lennar Corporation.
- Discussion regarding Veterans Housing and the issuance of the RFOTP on December 5th for the new parcel in Tinton Falls. The project will be developed in Tinton Falls and will have a minimum of 75/maximum of 100 single units.
- Update on Upcoming RFOTPs including Parcel F-1, Parcel B, Parcel F-3, and the Main Post Chapel.

f) VETERANS STAFF ADVISORY COMMITTEE (FREEHOLDER LILLIAN BURRY, CHAIRWOMAN):

Lillian Burry stated that the Committee did not meet this month. Ms. Burry stated that she is pleased that there is a new RFOTP for Veterans Housing in Tinton Falls. Ms. Burry stated that she was informed by Congress that there has been money set aside to provide for Veterans transportation.

IX. BOARD ACTIONS

- A) The first item before the consideration of approval of FMERA's 2015 Budget and Authorization of FMERA's Executive Director to submit Grant Requests to the Office of Economic Adjustment (OEA) as necessary.

Candice Valente read the resolution which is attached hereto and marked Exhibit 1.

A motion was made to approve by Gerald Tarantolo and was seconded by Lillian Burry.

Motion to Approve: GERALD TARANTOLO Second: LILLIAN BURRY
AYes 8

- B) The second item before the Board was the consideration of approval to terminate the Offer to Purchase Process for Russel Hall and approval to issue a new Request for Offers to Purchase (RFOTP) for Russel Hall.

Candice Valente read the resolution which is attached hereto and marked Exhibit 2.

A motion was made to approve by Tim Lizura and was seconded by Gerald Tarantolo.

Motion to Approve: TIM LIZURA Second: GERALD TARANTOLO.
AYes 7

Mr. Gorman stated that the resolution for Russel Hall should be clarified to address as Kiely Realty Group for Russel Hall, as FMERA is in exclusive negotiations with Kiely Realty Group for the Pistol Range. Tim Lizura seconded Mr. Gorman recommendation.

Mayor Mahon asked if it is the intent of the new RFOTP to remove the reference to a helipad on the site and was answered yes.

Mayor Mahon stated that the RFOTP should state that Oceanport has not declared this parcel an area in need of redevelopment and therefore would not be eligible for Payment in Lieu of Taxes (PILOT).

Mayor Mahon abstained from voting stating that he received a letter from the Oceanport Municipal council for municipal use of Russel Hall.

C) The third item before the Board was the consideration of approval to extend the Exclusive Negotiations period for a Purchase Agreement pursuant to the RFOTP for Officer Housing.

Candice Valente read the resolution which is attached hereto and marked Exhibit 3.

A motion was made to approve by Gerald Tarantolo and was seconded by Michael Mahon.

Motion to Approve: GERALD TARANTOLO Second: MICHAEL MAHON
AYes 8

D) The forth item before the Board was the consideration of approval to make the Child Development Center available through the Offer to Purchase Process.

Candice Valente read the resolution which is attached hereto and marked Exhibit 4.

A motion was made to approve by Michael Mahon and was seconded by Michael Collins.

Motion to Approve: MICHAEL MAHON Second: MICHAEL COLLINS.
AYes 8

X. OTHER ITEMS

Mayor Mahon stated that he had met with the Executive Director of Two Rivers Water Reclamation Authority (TRWRA) regarding the sanitary sewer infrastructure upgrades at the Fort. Mr. Steadman stated that FMERA has had several meetings with TRWRA and will continue to have on-going meetings during the development process. Mr. Gorman stated that this will be discussed at the next Real Estate Committee meeting.

XI. PUBLIC COMMENT REGARDING ANY FMERA BUSINESS [5 minutes re: any FMERA business]

Brenda Carter of Meadow Link asked Lillian Burry about the monies for Veterans transportation. Ms. Burry stated that the monies are in anticipation of the Veterans housing being developed on the Fort.

Tom Mahedy of Wall Township asked who purchased the television for the FMERA office and who made the decision to purchase. Mr. Mahedy asked who had the idea to create a dump at the Veterans housing parcel and who made the choice to propose another two acres of dumps. Mr. Mahedy asserted that he was informed that the carve out at the Myer Center was incredibly dangerous and was never cleaned up. Mr. Mahedy asserted that carve outs leak and travel and contaminate. Mr. Mahedy asserted that the gas station next to the CDC has toxic gas that goes directly underneath the CDC.

Mr. Mahedy asserted that there is a conflict of interest with DAG Chacon regarding RPM and that the Attorney General's office will do all they can to help RPM.

Mr. Mahedy asserted that the transactions for the auctions are all done in cash and there are no checks and balances on the revenue received. Mr. Mahedy asserted that no one from FMERA or the Attorney General's office are present at the auctions and there is no oversight.

Mr. Steadman thanked Ms. Carter for attending and will add her name to the RFP/RFOTP distribution list.

Mr. Steadman answered Mr. Mahedy by stating that the Army purchased the television because FMERA leases the building from the Army, and the Army still owns it. Mr. Steadman stated that FMERA believes that the size of the landfill adjacent to several parcels, including the Veterans, is somewhat larger than the Army initially expected. DEP and the Army will be reviewing the landfill information after the holidays. Mr. Steadman stated that with the respect to the carve out at the Myer Center, it is correct to continue to call it a carve out and it is lime pit. Mr. Steadman stated based on where the lime pit is located, FMERA believes the site can be adequately used. Mr. Steadman stated that he would not comment on the assertions regarding the conflict with RPM Development Group, and Mr. Chacon has been very forthcoming regarding the conflict. Mr. Steadman stated that FMERA staff has been present at the auctions and the auctions are being handled appropriately. All proceeds from the auctions will be accounted for to the Board at a future meeting.

There being no further business, on a motion by Michael Mahon seconded by Michael Mahon and unanimously approved by all voting members present, the meeting was adjourned at 8:30p.m.

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



Bruce Steadman - Secretary

ADOPTED
December 17, 2014

Resolution Regarding
2015 Consolidated Budget and the Office of Economic Adjustment Grant Requests

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 2015 Consolidated Budget includes an Economic Development Conveyance (EDC) Budget, representing the projected 2015 sales and financial activity under the approved Phase 1 EDC Agreement and the Phase 2 EDC Agreement which is projected to be executed by the 2nd quarter of 2015, encompassing the sale of eight parcels; and

WHEREAS, the 2015 Consolidated Budget also includes a Non-EDC Budget, representing the funding of qualified expenses received the U.S. Department of Defense's Office of Economic Adjustment (OEA) and the requisite local match from the State of New Jersey and FMERA's obligation; during the fiscal year OEA's support will decrease to 75% of the current level, the local match will remain at 10%, and the remaining amount will be FMERA's obligation; and

WHEREAS, the Audit Committee reviewed the 2015 Consolidated Budget and recommends it to the Authority for approval.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the 2015 Consolidated Budget, as described in the attached memorandum.
2. The Authority authorizes the Executive Director to take all necessary actions to submit grant requests to the Office of Economic Adjustment for federal funds in an amount not to exceed \$1,725,579 to support the Authority's operations for the 2015 calendar year as necessary.
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: December 17, 2014

EXHIBIT 1

ADOPTED
December 17, 2014

Resolution Regarding
Approval to Terminate the Offer to Purchase Process for Russel Hall and Approval to
Issue a New Request for Offers to Purchase for Russel Hall

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, FMERA issued a Request for Offers to Purchase (RFOTP) for the Russel Hall site in Oceanport on September 6, 2013, and received one proposal from Kiely Realty, LLC (Kiely); and

WHEREAS, the Board authorized FMERA staff to enter into exclusive negotiations with Kiely at its January 2014 meeting, and to extend the exclusive negotiations period for an additional sixty (60) days at the June 2014 meeting and an additional thirty (30) days at the August 2014 meeting; and

WHEREAS, the Board authorized FMERA staff to execute a Lease in Furtherance of Conveyance with the Army for Russel Hall and to enter into a sublease with Kiely for Russel Hall at the May 2014 meeting, in order to enable Kiely to seek approvals and obtain financing and permits in advance of closing; and

WHEREAS, the sublease to Kiely was never executed, and at the October 2014 meeting, the Board authorized a final forty-five (45) day extension of the exclusive negotiations period; and

WHEREAS, while FMERA staff and Kiely made significant progress toward the negotiation of a mutually acceptable Purchase and Sale Agreement, the parties disagree over the reactivation of the former heliport located on the Russel Hall parcel, and FMERA believes that further negotiation will not result in final agreement over business terms; and

WHEREAS, pursuant to Kiely's request dated November 25, 2014, FMERA's counsel has returned the Initial and Additional Deposits to Kiely with accrued interest; and

WHEREAS, the Real Estate Committee recommends that the Board authorize FMERA staff to terminate the RFOTP with respect to Russel Hall, end negotiations with Kiely and authorize the issuance of a new RFOTP for Russel Hall;

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached memorandum, the Authority approves ending negotiations with Kiely Realty, LLC, terminating the Offer to Purchase

process with regard to Russel Hall in Fort Monmouth's Main Post Area and the issuance of a new Request for Offer to Purchase.

2. The Authority authorizes the Executive Director to take all necessary actions to effectuate the termination of the Russel Hall Request for Offers to Purchase process, including returning the deposit with any accrued interest to the bidder, and the issuance of the new Request for Offer to Purchase.

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

Dated: December 17, 2014

EXHIBIT 2

ADOPTED
December 17, 2014

Resolution Regarding
Approval to Extend the Exclusive Negotiating Period with RPM Development, LLC, for
the Officer Housing

WHEREAS, on January 16, 2013, FMERA issued and publicly advertised a Request for Offers to Purchase (RFOTP) for the Officer Housing parcel with a response date of March 1, 2013, 45 days after the issuance of the RFOTP, in connection with the planned redevelopment of the Officer Housing in Oceanport; and

WHEREAS, the Officer Housing includes 117 historic residential units in single, duplex and four-plex configurations, surrounding and adjacent to the Parade Ground, located on two parcels of 26.5 acres and 10 acres; and

WHEREAS, FMERA received two proposals for the Officer Housing, and one proposal was deemed non-compliant because it did not include the required 20% set-aside for affordable housing, per the RFOTP and the Authority's Rules for the Sale of Real and Personal Property; and

WHEREAS, RPM Development, LLC (RPM), received the highest score for their proposal; and

WHEREAS, at the Authority's April 23, 2014 meeting, the Board authorized staff to enter into exclusive negotiations with RPM, based on the recommendation of the Real Estate Committee; and

WHEREAS, the exclusive negotiating period commenced on October 7, 2014 and by letter dated November 19, 2014, the Executive Director extended the exclusive negotiating period for an additional thirty days as permitted by the Authority's Sales Rules; and

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

WHEREAS, FMERA staff and RPM have made significant progress toward the negotiation of a mutually acceptable Purchase and Sale Agreement and Redevelopment Agreement (PSARA) for the Officer Housing, and staff believes that there is a likelihood that further negotiation will result in agreement over business terms; and

WHEREAS, the Real Estate Committee has reviewed and discussed extending the exclusive negotiating period and recommends approving an extension to February 28, 2015 to the full Board.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority authorizes an extension to February 28, 2015 of the exclusive negotiating period, as set forth in the attached memorandum, and authorizes the Executive Director to take all necessary actions to effectuate the extension.

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: December 17, 2014

EXHIBIT 3

ADOPTED
December 17, 2014

Resolution Regarding
Approval to Make the Child Development Center Available through the Offer to Purchase
Process

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, section 9(j) of the Act authorizes the Authority to issue Requests for Proposals and section 9(bb) “[t]o sell, exchange, assign, convey or otherwise dispose of any property” “upon such terms and at such prices as it determines to be reasonable”; and

WHEREAS, in accordance with Section 19:31C-2.5(a) of FMERA’s Rules for the Sale of Real and Personal Property, “[b]efore advertising a particular parcel of real property and accompanying personal property as being available for sale through the offer to purchase process, the Board shall review and approve a recommendation of the Director and FMERA [staff] to offer the property for sale through the offer to purchase process”; and

WHEREAS, the Child Development Center (CDC), also known as Building 2290, is a 19,600 square foot, single-story facility built in 1996 located on a 7.4 acre parcel along Corregidor Road in the Tinton Falls Reuse Area; and

WHEREAS, the parcel was envisioned for an institutional reuse in the Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan) for the Tinton Falls School District; and

WHEREAS, this parcel is a Phase One property in FMERA’s 2012 Economic Development Conveyance Agreement with the Army, and FMERA took ownership of all of the CDC from the Army by deed dated May 29, 2014; and

WHEREAS, the Borough of Tinton Falls has indicated the CDC is no longer needed for the School District, and non-institutional use will require an amendment to the Reuse Plan; and

WHEREAS, FMERA staff recommends proceeding with the offer to purchase process for the CDC because staff has received specific interest in the commercial reuse of the parcel and the property’s location along Hope Road and adjacent to the new CommVault headquarters increases its redevelopment potential, and the Request for Offers to Purchase (“RFOTP”) process will enable FMERA to negotiate a mutually acceptable Reuse Plan amendment; and

WHEREAS, the Real Estate Committee has reviewed and discussed making the CDC available through the offer to purchase process and recommends it to the full Board of the

Members for approval.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves making the Child Development Center in Tinton Falls available through the offer to purchase process, as set forth in the attached memorandum.
2. The Authority authorizes the Executive Director to take all necessary actions to effectuate the issuance of the Request for Offer to Purchase and the notice of availability for sale through the offer to purchase process.
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: December 17, 2014

EXHIBIT 4



MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

DATE: January 21, 2015

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 Status of the Federal Grant and FMERA Financials; Update on Meetings with Army Representatives; Update on Requests for Proposals (RFPs) and Other Contracts; Update on Requests for Offers to Purchase (RFOTPs); Update on Marketing Effort; and Action Items for Next Month.

Treasurer's Report

1. 2014 Comprehensive Annual Report of the Authority

Staff is preparing the Authority's 2014 Annual Report for presentation to the Audit Committee with the audited financial statements, which serve as FMERA's comprehensive annual report to meet the requirements of Executive Order No. 37 (2006). It is expected that a draft report and statements will be available for review in mid-March, and finals presented to the Board in April.

The Authority's Independent Auditors, Clifton Larsen Allen, will begin work on their audit of the Authority's 2014 operations in early February. The Auditors will report on the Authority's financial statements and accompanying notes, as well as report on the Authority's internal controls and compliance in accordance with Government Auditing Standards and OMB Circular A-133. Field work will begin the week of February 16.

Executive Director's Report

1. Update on Meetings with Army Representatives

FMERA and the Army have been holding discussions since 2012 on the future transfer of the balance of the Main Post, to be accomplished under a Phase 2 Memorandum of Agreement (MOA). After receiving support from the Board for the proposed terms negotiated by FMERA staff and Army representatives for the Authority's acquisition of

the balance of the Main Post, staff submitted the Phase 2 Economic Development Conveyance application on July 1, 2014, and it is currently under review by the Army. A draft MOA is currently under review by staff and the Army. The Authority will hold an executive session at tonight's meeting to review ongoing negotiations. Our goal is to seek approval from the Board to execute the Phase 2 MOA with the Army in February 2015.

2. Update on RFPs and Contracts

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

Auctioneer

FMERA has held five auction events on October 1st, 15th, and 29th, and December 10th and 11th. The auctions have been orderly and FMERA expects they will be profitable although final numbers have not been tabulated. All net proceeds will be invested in the redevelopment in accordance with State and Federal regulations. The auctions have been conducted in accordance with accepted practices, with oversight by FMERA and the Attorney General's office. Staff will present a request to revise the Auction Terms and Conditions of Sale at tonight's meeting, in order to allow for the sale of items that were not sold via auction to date.

Suneagles

The Suneagles Golf Course will be open through the winter however play has slowed. The membership drive is coming to a close and has been successful. Promised improvements to the course are well along. We have also been addressing some significant maintenance issues at Gibbs Hall.

Property Management/Maintenance

Our property management/maintenance team, Chenega Operations Services, has been quite busy helping our auctioneer team and keeping our property presentable and secure, for both marketing purposes and keeping our employees and tenants safe and comfortable. Corregidor Road and Pearl Harbor Avenue are open to the public and are now maintained by the Borough of Tinton Falls. The area south of Corregidor and east of Pearl Harbor has been cordoned off from traffic for security and protection of remaining assets in that area. We are also reconfiguring some of the utility infrastructure to minimize usage and expense.

3. Update on RFOTPs

The following is a summary of the status of the RFOTPs recommended for action at tonight's meeting:

Parcels C and C1

In March 2013 FMERA publically issued RFOTPs for Parcels C and C1. Three proposals were received for Parcel C, and three proposals were received for Parcel C1, with some firms submitting multiple scenarios for redevelopment. FMERA staff evaluated the proposals in accordance with the Authority's Sales Rules, and subsequently engaged in discussions with the highest ranked proposers. Parcel C is in the Tinton Falls Reuse Area and is planned as a mixed-use town center. The 39-acre lot can accommodate up to 239

newly constructed residential units, along with up to 107,000 square feet of retail and other commercial development. Parcel C1 is a 12-acre tract also located in the Tinton Falls Reuse Area. In accordance with the Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan) amendment #1, the property can accommodate up to 49 newly constructed residential units. At the April 2014 meeting of the Authority, the Board approved the recommendation to enter into exclusive negotiations with Lennar Corporation in accordance with the Authority's Sales Rules, and extended the exclusive negotiations term at the September 2014 meeting. Staff will present a recommendation at tonight's meeting to extend the exclusive negotiations period until the March Board meeting.

Parcel B

Also in March 2013 FMERA publically issued an RFOTP for Parcel B, a 55-acre tract located along the Fort's Route 35 frontage in the Main Post's Eatontown Reuse Area. The Reuse Plan calls for Parcel B to be developed as a high quality lifestyle center, with approximately 150,000 square feet of retail, restaurant, entertainment and other uses in a Main Street format, along with 302 mixed-income apartments. Four proposals were received. At the February 2014 meeting of the Authority, the Board authorized FMERA staff to terminate the RFOTP process without awarding a contract and issue a new RFOTP for Parcel B, in accordance with the Authority's Sales Rules. The new RFOTP for Parcel B will seek proposals that meet the Reuse Plan's goal of creating a lifestyle town center, as an exciting and attractive gateway to the Fort. Staff will present a recommendation at tonight's meeting to include additional acreage in the RFOTP for Parcel B, which will increase the square footage of retail and/or commercial development on the parcel to 250,000 square feet, while keeping the number of housing units at 302.

The following is a summary of the status of RFOTPs that FMERA has issued:

Officer Housing

FMERA staff issued an RFOTP for the Officer Housing in the Historic District of the former Fort in January 2013, and two proposals were received. The Officer Housing is intended for residential reuse consistent with the Reuse Plan. At the April 2014 meeting of the Authority, the Board approved the recommendation to enter into exclusive negotiations with RPM Development Group in accordance with the Authority's Sales Rules. The Authority approved an extension to the exclusive negotiations period through February 2015. The property is located outside of the Fort's Phase One project area, so FMERA's ability to sell the property is contingent on execution of a Phase 2 EDC Agreement with the Army. At the May 2014 meeting of the Authority, the Board approved FMERA staff entering into a Lease with the Army and a Sublease with RPM for the property, enabling RPM to undertake due diligence and pursue financing and project approvals in advance of FMERA's execution of the Phase 2 EDC Agreement. The portion of the Officer Housing located south of the Parade Grounds has received preliminary major site plan and subdivision approval from the Oceanport Planning Board.

Parcels V-1 and F-2

Parcel V-1 was a 10-acre tract in the Eatontown section of the former Fort which was put out for bid for the purpose of establishing a Veterans Community. An RFOTP was

publically issued for the parcel in September 2013 and two proposals were received in December 2013. Both bidders proposed paying nominal consideration to acquire and redevelop the property into a veterans community. At the June 2014 meeting of the Authority, the Board authorized FMERA staff to terminate the RFOTP process without awarding a contract. At its September meeting, the Authority approved the issuance of a new RFOTP for a veterans project in the Tinton Falls Reuse Area, on a 15-acre site to be known as Parcel F-2, which includes approximately 8.2 acres of developable land and Buildings 2704 and 2719. The RFOTP for F-2 was issued on December 12, 2014 and proposals are due on March 13, 2015. FMERA has set \$650,000 as the minimum bid amount for the Parcel.

Fabrication Shops (Pinebrook Road Commerce Center at Fort Monmouth)

At the June 2013 meeting of the Authority, the Board approved making the Pinebrook Road Commerce Center (buildings 2501 – 2504, 2506 and 2507, totaling approximately 44,000 sf) available through the offer to purchase process. The five fabrications shops consist of flex (industrial/office) space in varying configurations. There is also a building (building 2501) on site that is well-suited for use as office space. The Parcel is located off of Pinebrook Road in the Tinton Falls Reuse Area of Fort Monmouth. An RFOTP for the parcel was issued in September 2013, and three proposals were received. At the May 2014 meeting of the Authority, the Board approved the recommendation to enter into exclusive negotiations with the highest ranked proposer, Pinebrook Commerce Center, LLC (PCC), in accordance with the Authority's Sales Rules. At the November 2014 meeting of the Authority, the Board approved an extension of the exclusive negotiations period with PCC for an additional sixty (60) days.

Marina

In October 2013 an RFOTP was issued for the Marina Parcel in Oceanport. The Marina Parcel consists of 3.9 acres located at Oceanport and Riverside Avenues. The Property includes a 71-slip marina and boat launch ramp on Oceanport Creek, a 2,600 sf boat house constructed in 1986 and associated off-street parking. The Reuse Plan contemplates a marina/public boat ramp/restaurant on the property and the reuse of the existing boat house. Proposals were due in January 2014 and two were received. At the August 2014 meeting of the Authority, the Board approved entering into exclusive negotiations with the one compliant proposer, AP Development Partners, LLC (APDP). FMERA staff released a Request for Proposals (RFP) for a Marina Operator in the interim, and received one proposal from APDP. The operator opened the marina for boat traffic on June 28, 2014 and for refreshments on the July 4th holiday weekend. The boat house is projected to re-open as a restaurant in early 2015.

Pistol Range

In November 2013 an RFOTP was issued for the Pistol Range. The Pistol Range is a one-story 11,110 sf building, equipped with 10 indoor firing lanes, in the Tinton Falls Reuse Area of the former Fort. The range was constructed in 2006. The facility sits on a 1-acre parcel, which represents the minimum lot size needed to accommodate required parking and building set-backs. The RFOTP allowed respondents the option to provide alternate proposals that included the purchase of additional adjacent land and/or buildings and the

use of the property for non-governmental purposes. Proposals were due in February 2014 and five were received. At the May 2014 meeting of the Authority, the Board approved the recommendation to enter into exclusive negotiations with Kiely Realty Group, LLC, the highest ranked proposer, in accordance with the Authority's Sales Rules.

Charles Wood Firehouse

In December 2013 an RFOTP was issued for the Charles Wood Firehouse in the Tinton Falls Reuse Area of the Fort. The Firehouse is a 10,000 sf structure on Corregidor Road, built in 2001. The permitted principal land use for the 2.3 acre parcel of land and building is institutional/civic reuse in the Fort's Reuse Plan. Proposals were due on March 20, 2014 and one proposal was received. Subsequently, the one proposer retracted its proposal. FMERA staff issued a second RFOTP on November 14, 2014 in accordance with the Authority's Sales Rules. Proposals were due on January 12, 2015 and two proposals were received.

Howard Commons

Howard Commons is a 63.67-acre tract on Pinebrook Road in the Fort's Charles Wood Area. The property is currently improved with 486 townhouse units constructed by the Army in 1953, along with a 3,853 sf general purpose building. The Reuse Plan calls for the demolition of the existing improvements and their replacement with 275 dwelling units and approximately 15,000 sf of ancillary retail/commercial space. In accordance with the Reuse Plan, 20% of the new units will be affordable housing qualified. At the January 2014 meeting of the Authority the Board approved a Purchase & Sale Agreement and Redevelopment Agreement (PSARA) for Howard Commons with HovWest Land Acquisition, LLC (HovWest). The Authority and HovWest executed the PSARA effective as of May 19, 2014. HovWest has exercised its right under the PSARA to withdraw from the project. HovWest noted that higher than expected groundwater caused them to make this decision. At the August 2014 meeting of the Authority, the Board approved the termination of the RFOTP process and the issuance of a new RFOTP for Howard Commons, in accordance with the Authority's Sales Rules. Staff issued a new RFOTP for Howard Commons on December 29, 2014. Proposals are due on April 3, 2015.

Fitness Center

On March 14, 2014 an RFOTP was issued for the Fitness Center in the Oceanport Reuse Area of the Fort. The property consists of 7.75 acres of land and three buildings, as well as all of the fitness equipment located within Building 114. FMERA set \$1,950,000 as the minimum bid amount for the property. Proposals were due May 28, 2014, and one proposal was received. Staff has evaluated the proposal in accordance with the Authority's Sales Rules and is negotiating a purchase agreement with the sole proposer. The property is located outside of the Fort's Phase One project area, so FMERA's ability to sell the property is contingent on execution of a Phase 2 EDC Agreement with the Army.

Satellite Road Parcel 1

On August 14, 2014, an RFOTP was issued for a 1.5 acre parcel in the Tinton Falls area of the former Fort, bordering Satellite Road and Fire Line Drive. The property is in the Tinton Falls Tech/Office Campus and permitted uses include office/research, institutional/civic and open space/recreation. Proposals were due on October 17, 2014 and two were received. An evaluation team is currently reviewing the proposals, and FMERA staff plans to make a recommendation at a subsequent meeting.

Parcel F-1

On December 5, 2014, FMERA issued an RFOTP for a 38 acre parcel in the Tinton Falls Reuse Area of the former Fort, which contains the 673,450 square foot Myer Center and the 47,592 square foot Night Vision Lab, as well as several support buildings. The Reuse Plan contemplates the renovation and reuse of both the Myer Center and the Lab as part of an office/high tech industry business campus. The RFOTP allows for either a proposal that is consistent with the Reuse Plan or an alternate commercial use, including but not limited to sports, entertainment, and/or hospitality uses. This may include the demolition of the two buildings. Proposals are due March 6, 2015.

The following is a summary of the status of RFOTPs that FMERA will be reissuing:

Russel Hall

FMERA staff issued an RFOTP for Russel Hall in September 2013, with proposals due in November 2013. Russel Hall is a 42,300 sf, four-story administration building located on Sanger Avenue in the Oceanport Reuse Area of the Fort, on a parcel measuring approximately 6.5 acres. The property is located outside of the Fort's Phase One project area, so FMERA's ability to sell the property will be contingent on execution of a Phase 2 EDC Agreement with the Army. At the January 2014 meeting of the Authority, the Board approved the recommendation to enter into exclusive negotiations with the sole proposer, Kiely Realty Group, LLC, in accordance with the Authority's Sales Rules; the Board subsequently approved extending the exclusive negotiations term another sixty (60) days at the June 2014 meeting of the Authority. At the May 2014 meeting of the Authority, the Board approved a Lease with the Army and Sublease with Kiely, although the Sublease was never finalized or executed. The Board approved additional extensions to the exclusive negotiations term, for a total of 75 days. FMERA and Kiely disagreed over the reactivation of the former heliport, and the Authority voted to end negotiations with Kiely, terminate the RFOTP and issue a new RFOTP at the December 2014 Board meeting. FMERA plans to issue a new RFOTP within the coming weeks.

Main Post Chapel

In March 2014 an RFOTP was issued for the Main Post Chapel in the Oceanport Reuse Area of the Fort. The property encompasses 5 acres of land and a 16,372 square foot structure, consisting of a chapel, an administrative wing, a classroom wing, and a kitchen. The Chapel is intended to be reused as a house of worship, per the Authority's Reuse Plan. The Property is in the Oceanport Horseneck Center and the Historic District, although the structure is not considered historic. Proposals were due on May 9, 2014, and two proposals were received. The compliant proposer decided to retract its proposal. As

there are no compliant proposals, FMERA will proceed with issuing a second RFOTP in accordance with the Authority's Sales Rules.

Upcoming RFOTPs

FMERA plans on issuing additional RFOTPs over the next few months, including: the Sunnyside Golf Course in Eatontown, Parcel F-3 and the Child Development Center in Tinton Falls, and the former Dance Hall in Oceanport.

4. Marketing Update


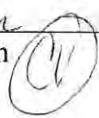
We continue to work with our marketing consultant, Weblinx, Inc., on the refinement of the FMERA brand and the redesign of our website. We hold weekly conference calls with Weblinx and hope to launch our newly designed website by February 1, 2015.

As always, we continue to work with Cushman & Wakefield (Cushman), the Authority's Master Broker, to market the Fort property. FMERA and Cushman conduct, on average, a half a dozen tours per week. The level of interest in the Fort property remains high.

Please refer to our website, www.fortmonmouthredevelopment.com, for more information.

5. Action Items for Next Month.

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


Approved By: Bruce Steadman 

Prepared by: Candice Valente

ADOPTED
January 21, 2015

Resolution Regarding
**Approval to Expand Parcel B and Issue a New Request for Offers to Purchase for Parcel B
Incorporating this Additional Property**

WHEREAS, Parcel B is a 55.237 acre tract fronting on Route 35 in the Eatontown Reuse Area of the Main Post; and

WHEREAS, FMERA issued a Request for Offers to Purchase (RFOTP) for Parcel B on March 26, 2013, with proposals due on June 10, 2013, and received proposals from four entities, with one of the proposers offering multiple scenarios for development; and

WHEREAS, the proposer ranked highest by the Evaluation Committee was disqualified for non-compliance with New Jersey's political contributions law, P.L. 2005, c.51; and

WHEREAS, FMERA staff met with the second-ranked proposer to discuss its proposal, including how it addressed the Borough's preference for owner-occupied housing and the project's proposed retail/commercial component; and

WHEREAS, staff believed the second-ranked proposal fell short of the high standards of the Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan), and a review of the other proposals met with a similar staff opinion, as none of the responses proposed a lifestyle town center format that blends residential use with retail use in a pedestrian friendly manner; and

WHEREAS, in February 2014, the Real Estate Committee recommended and the Board approved the authorization to terminate the RFOTP with respect to Parcel B and issue a new RFOTP for Parcel B; and

WHEREAS, 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 Economic Development Conveyance agreement, which is anticipated to occur in the 2nd quarter of 2015; and

WHEREAS, the acquisition of the Main Post presents the opportunity to reconfigure the boundaries of Parcel B to respond to changing market conditions and maximize the value of the property; and

WHEREAS, FMERA staff recommends an expansion of the Parcel B acreage of approximately 22 acres, including Buildings 1208-1210, 1212-1214, and 1220, which will accommodate up to 250,000 square feet of retail and other commercial uses, along with the 302 housing units called for in the Reuse Plan, and the option to add an additional 12 acres, including Buildings 1206 and 1207, either for renovation or demolition; and

WHEREAS, the Real Estate Committee recommends that the Board authorize FMERA staff to expand Parcel B by approximately 22 acres by including a portion of the Phase 2 property situated to the east of Parcel B and to issue a new RFOTP for Parcel B incorporating this additional property, in accordance with FMERA's sales rules;

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached memorandum, the Authority approves the expansion of Parcel B by approximately 22 acres including a portion of the Phase 2 property situated to the east of Parcel B, with an optional additional 12 acres, and making the expanded Parcel B available through the offer to purchase process.

2. The Authority authorizes the Executive Director to take all necessary actions to effectuate the issuance of the new Request for Offer to Purchase and the notice of availability for sale through the offer to purchase process.

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

ATTACHMENT

Dated: January 21, 2015

EXHIBIT 1



MEMORANDUM

TO: Members of the Authority

FROM: Bruce Steadman
Executive Director

RE: Expansion of Parcel B and Issuance of a New Request for Offers to Purchase

DATE: January 21, 2015

Request

I am requesting that the Board authorize the Fort Monmouth Economic Revitalization Authority (FMERA) staff to: (i) expand Parcel B by approximately 22 acres by including a portion of the Phase 2 property situated to the east of Parcel B; and (ii) issue a new Request for Offers to Purchase (RFOTP) Parcel B incorporating this additional property, in accordance with FMERA's approved sales rules.

Background

Parcel B is 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. Parcel B is a Phase One property in FMERA's June 25, 2012 Economic Development Conveyance Agreement (EDC Agreement) with the Army.

Based on staff's recommendation, and with the Real Estate Committee's concurrence, the Board authorized proceeding with the offer to purchase process for Parcel B at the January 2013 meeting of the Authority. The January 2013 Board memorandum noted that, pursuant to the Reuse Plan, Parcel B is planned as a mixed-use area, incorporating retail and residential development. This will require staff to evaluate proposals with an emphasis on planning and design considerations, because the location, types and mix of uses developed on Parcel B will affect the property's value and its economic impact on adjacent areas of the Fort and the Borough of Eatontown.

Accordingly, on March 26, 2013, FMERA publically issued an RFOTP for Parcel B, with proposals due on June 10, 2013. Proposals were received from four entities, 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 fall 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 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 will place greater emphasis on those qualities we think 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 will provide 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.

Expansion of Parcel B

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 Economic Development Conveyance agreement. FMERA's acquisition of the Main Post, anticipated to occur in the 2nd Quarter of 2015, presents the opportunity to reconfigure the boundaries of Parcel B to respond to changing market conditions and maximize the value of the property. Immediately east of Parcel B is a series of obsolete structures, known as Buildings 1208, 1209 and 1210, that were constructed in 1953 as classrooms for the Signal Corps. Totalling 338,000 sf, these three buildings were proposed for incubator and office reuse in the Reuse Plan. Given the significant inventory of vacant office space in Central Jersey, and the lack of interest in these buildings by prospective developers and users, FMERA staff and our broker, Cushman & Wakefield, believe that the highest and best use of these buildings is demolition and replacement with new construction. Unlike the office market, there is a strong demand for retail space in eastern Monmouth County. Accordingly, staff recommends that these three buildings, along with several smaller structures – Buildings 1212, 1213, 1214 and 1220 – be included within an expanded Parcel B. Staff also proposes 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 believes that this expanded Parcel B site could accommodate up to 250,000 sf of retail and other commercial uses, along with the 302 units of housing called for in the initial RFOTP.

Attached is a plan showing Parcel B's original boundaries, the proposed 22 acre expansion area and the optional area consisting of Mallette Hall, Pruden Auditorium and the outdoor amphitheater.

FMERA staff recommends proceeding with the offer to purchase process for the Parcel B and its proposed expansion area rather than sealed bids. Staff has received specific interest in this area for an expanded retail and residential development as evidenced by the alternate proposals received in response to our initial RFOTP, as well as subsequent expressions of interest. Offering the 22± acre expansion area at the same time as the original 55 acre Parcel B site would provide for the comprehensive redevelopment of the property. Additionally, the RFOTP process will facilitate FMERA's ability to coordinate the terms and timing of FMERA's sale of the expanded Parcel B with the acquisition of the Phase 2 parcels from the Army.

Depending on the future use of the expanded area and Mallette Hall, a plan amendment may be necessary. Currently, this area is included in the Eatontown Municipal Center and the

Professional's Row/Incubator Business Center in the Eatontown Reuse Area, and the buildings located in this area, with the exception of Buildings 1212 and 1220, are slated for reuse.

The Real Estate Committee has discussed this expansion and recommends that the Board authorize FMERA staff to expand Parcel B and issue a new RFOTP incorporating this additional property.

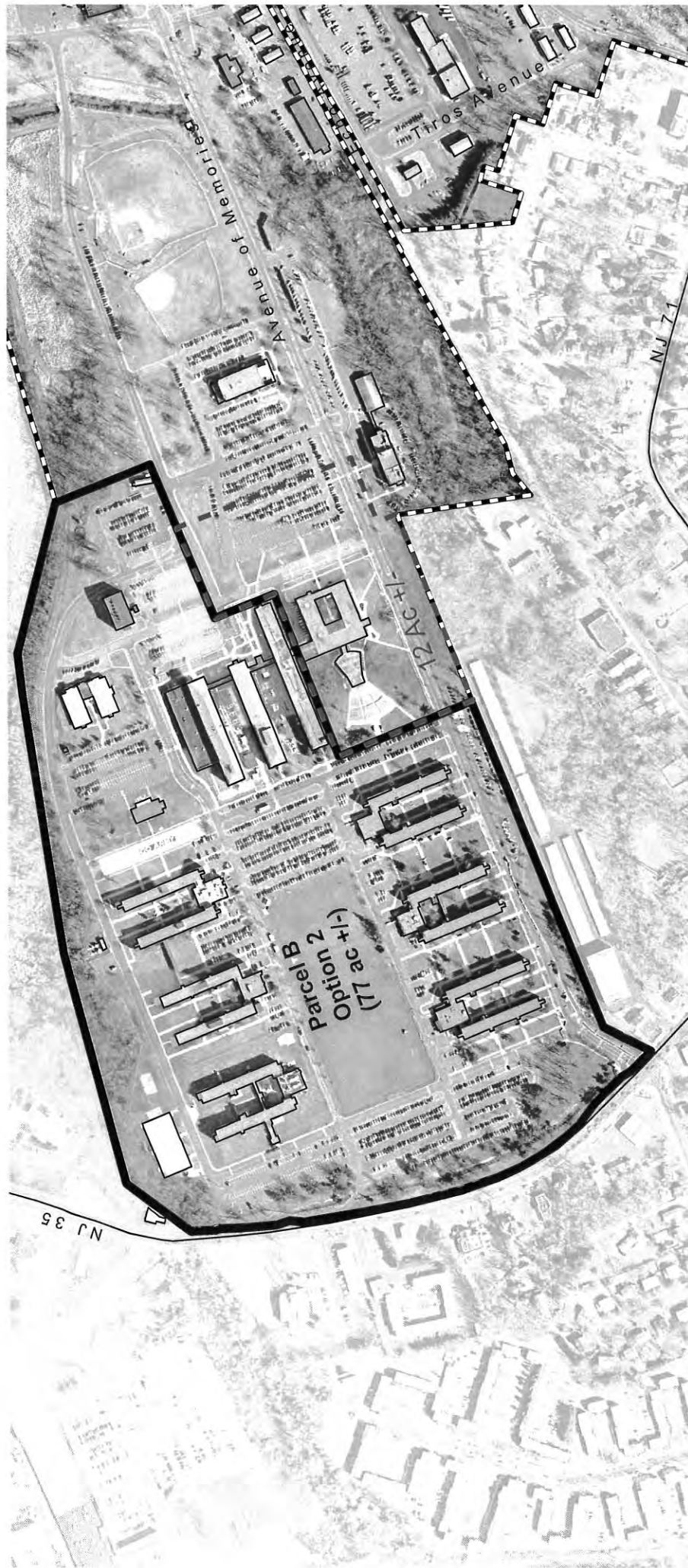
Recommendation

In summary, I am requesting that the Board: (i) expand Parcel B by approximately 22 acres by including a portion of the Phase 2 property situated to the east of Parcel B; and (ii) issue a new Request for Offers to Purchase for Parcel B incorporating this additional property, in accordance with FMERA's approved sales rules.


Bruce Steadman

Attachments: Parcel B Map (including proposed expansion areas)

Prepared by: David E. Nuse and Candice Valente



NJ 35

Parcel B
(Option 2)
(72c+-)

Parcel 1
(72c+-)

NJ 71

Avenue of Memories

Tros Avenue

ADOPTED
January 21, 2015

Resolution Regarding
Approval to Make the Building 2525 Parcel Available through the Offer to Purchase Process

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, section 9(j) of the Act authorizes the Authority to issue Requests for Proposals and section 9(bb) “[t]o sell, exchange, assign, convey or otherwise dispose of any property” “upon such terms and at such prices as it determines to be reasonable”; and

WHEREAS, in accordance with Section 19:31C-2.5(a) of FMERA’s Rules for the Sale of Real and Personal Property, “[b]efore advertising a particular parcel of real property and accompanying personal property as being available for sale through the offer to purchase process, the Board shall review and approve a recommendation of the Director and FMERA [staff] to offer the property for sale through the offer to purchase process”; and

WHEREAS, Building 2525 is a 86,400 square foot, two-story former administration building built in 1942 and renovated by the Army in 1999, located on a 13.5 acre parcel, including associated parking and geothermal fields, in the Tinton Falls Reuse Area; and

WHEREAS, the parcel was envisioned for office and/or research and redevelopment reuse in the Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan); and

WHEREAS, this parcel is a Phase One property in FMERA’s 2012 Economic Development Conveyance Agreement with the Army, and FMERA took ownership of all of the parcel from the Army by deed dated May 29, 2014; and

WHEREAS, FMERA submitted a proposal to the federal General Services Administration’s (GSA) Public Building Service in October 2011 to lease Building 2525 to the Veterans Administration, but to date GSA has not awarded a lease for the VA’s space requirement; and

WHEREAS, FMERA staff recommends proceeding with the offer to purchase process for Building 2525 because several prospective purchasers have expressed specific interest in the reuse of the parcel for office, technology or alternative uses, and the property’s location adjacent to the new CommVault headquarters and the planned Garden State Parkway road improvements that will enhance vehicular access to the site increases its redevelopment potential, and the Request for Offers to Purchase (“RFOTP”) process will enable FMERA to negotiate a redevelopment scenario that will maximize the value and economic impact of Building 2525; and

WHEREAS, the Real Estate Committee has reviewed and discussed making the Building 2525 parcel available through the offer to purchase process and recommends it to the full Board of the Members for approval.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves making the Building 2525 Parcel in Tinton Falls available through the offer to purchase process, as set forth in the attached memorandum.
2. The Authority authorizes the Executive Director to take all necessary actions to effectuate the issuance of the Request for Offer to Purchase and the notice of availability for sale through the offer to purchase process.
3. This resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays, and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor of the State of New Jersey for his approval, unless during such 10-day period the Governor of the State of New Jersey shall approve the same, in which case such action shall become effective upon such approval, as provided by the Act.

ATTACHMENT

Dated: January 21, 2015

EXHIBIT 2



MEMORANDUM

TO: Members of the Authority

FROM: Bruce Steadman
Executive Director

RE: Making Available Building 2525 in the Charles Wood Area through the Offer to Purchase Process

DATE: January 21, 2015

Request

I am requesting that the Board authorize the Fort Monmouth Economic Revitalization Authority (FMERA) staff to make Building 2525 in Fort Monmouth's Charles Wood Area available through the offer to purchase process, in accordance with FMERA's approved sales rules.

Background

The Tinton Falls Reuse Area contains several prominent buildings, including Building 2525, an 86,400 sf former administration building, which is slated to be renovated for office and/or research & development use in the Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan). Constructed in 1942, the two-story building was renovated by the Army in 1999. The building, along with its associated parking and geothermal fields, covers approximately 13.5 acres of Parcel F (see parcel map attached). Building 2525 is a Phase One property in FMERA's June 25, 2012 Economic Development Conveyance Agreement with the Army.

In response to a solicitation from the federal General Services Administration's Public Building Service (GSA), FMERA submitted a proposal in October 2011 to lease Building 2525 to the Veterans Administration (VA). Staff continued to provide supplemental information to GSA and its broker through early 2013, but to date GSA has not awarded a lease for the VA's space requirement.

Subsequently, FMERA took ownership of Building 2525 from the Army by deed dated May 29, 2014. Over the past several months, FMERA has received interest in the building from multiple parties. Due to its proximity to the Garden State Parkway and the recently-completed CommVault project, interest in the building, as well as the entire Charles Wood Area, has increased. Consequently, staff proposes to offer Building 2525 for sale through the Offer to Purchase process.

The Members approved the Rules for the Sale of Real and Personal Property (the Sale Rules) at the August 17, 2011 Meeting of the Authority. In accordance with Section 19:31C-2.5(a) of the Sale Rules, before advertising a particular parcel of real property and accompanying personal



property as being available for sale through the Offer to Purchase process, the Board shall review and approve a recommendation of the Director and FMERA to offer the property for sale through the Offer to Purchase process. In its determination to use the Offer to Purchase process, the Board also may consider various factors including, but not limited to, purchase price, jobs to be created and timing, to determine whether the offer to purchase process will enhance the economic value to FMERA or Fort Monmouth. After the RFOTP is issued and offers are received and negotiated, the Director and FMERA staff shall present a recommendation to the Board to accept an offer, to terminate negotiations regarding offers, or to take other appropriate action.

Authority staff recommends proceeding with the offer to purchase process for Building 2525 rather than sealed bids. This recommendation is based on several factors. First, the property's location directly adjacent to the CommVault project increases its redevelopment potential for office and technology uses, as called for in the Reuse Plan. Second, the planned improvements to the Parkway's Exit 105 interchange, and the new Parkway exit ramp at Wayside Road, will enhance vehicular access to the site, broadening the range of potential uses. Third, several potential purchasers have expressed interest in the property for office, technology or alternative uses. Staff believes the RFOTP process may allow greater flexibility for selecting the scenario that would maximize the value and economic impact of Building 2525 to FMERA and the Army, and that negotiation with respondents may be necessary to ensure that FMERA's objectives are met, and that the value of the property, and adjacent tracts, are maximized.

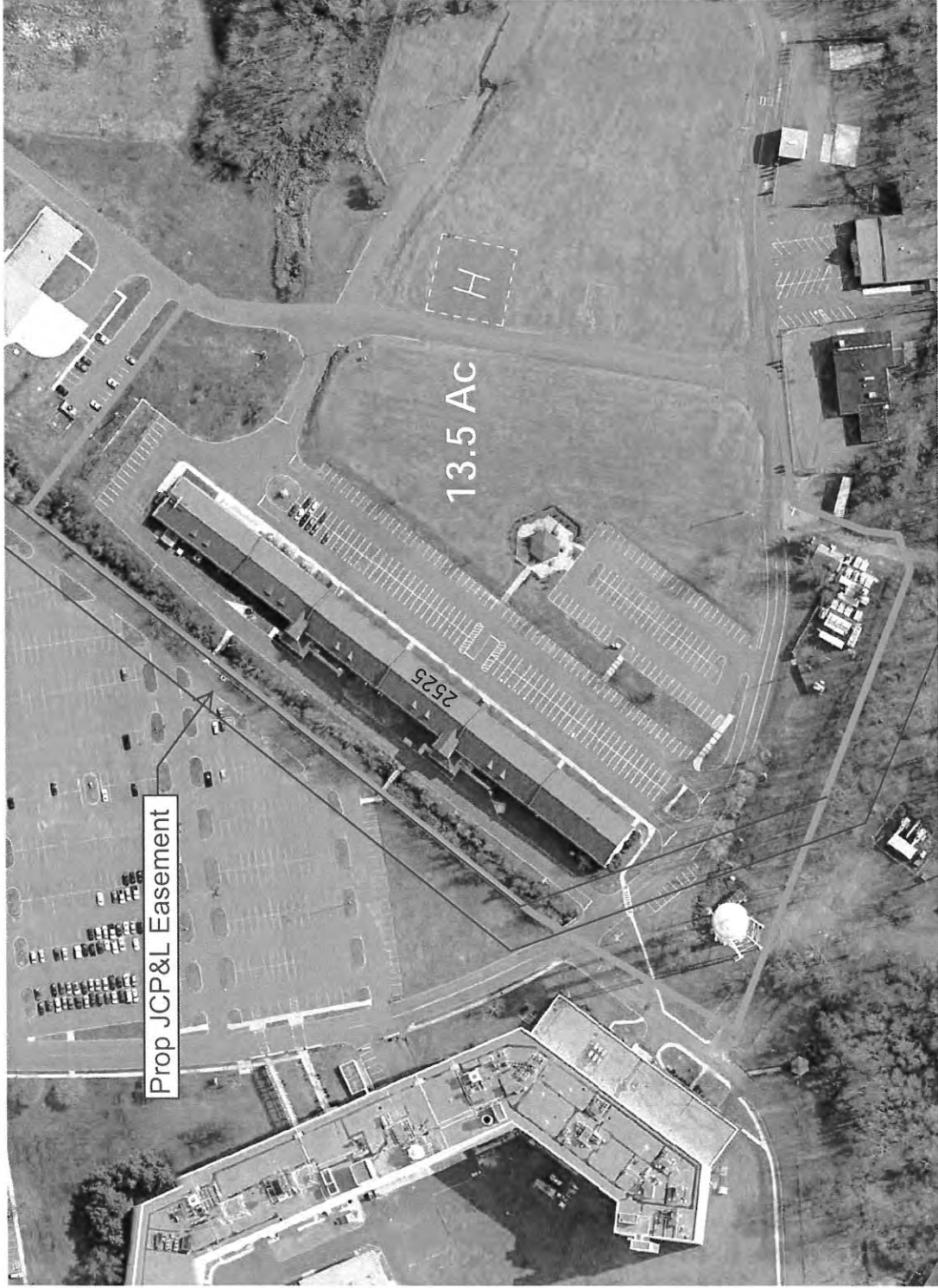
The Real Estate Committee recommends that the Board Members authorize FMERA staff to make 2525 available through the offer to purchase process.

Recommendation

In summary, I am requesting that the Board authorize the Fort Monmouth Economic Revitalization Authority (FMERA) staff to make Building 2525 in Fort Monmouth's Charles Wood Area available through the offer to purchase process, in accordance with FMERA's approved sales rules.


Bruce Steadman 

Attachment: Proposed Parcel Map
Prepared by: David E. Nuse



ADOPTED
January 21, 2015

Resolution Regarding
Approval to Make the Nurses' Quarters Available through the Offer to Purchase Process

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, section 9(j) of the Act authorizes the Authority to issue Requests for Proposals and section 9(bb) "[t]o sell, exchange, assign, convey or otherwise dispose of any property" "upon such terms and at such prices as it determines to be reasonable"; and

WHEREAS, in accordance with Section 19:31C-2.5(a) of FMERA's Rules for the Sale of Real and Personal Property, "[b]efore advertising a particular parcel of real property and accompanying personal property as being available for sale through the offer to purchase process, the Board shall review and approve a recommendation of the Director and FMERA [staff] to offer the property for sale through the offer to purchase process"; and

WHEREAS, the Nurses' Quarters, also known as Buildings 1077 and 1078 that total approximately 18,655 square foot, were built in 1962 and are located on a 3.75 acre parcel along Main Street in the Oceanport Reuse Area; and

WHEREAS, the parcel is envisioned for residential reuse of 24 units in the Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan); and

WHEREAS, the Nurses' Quarters are located on a Phase 2 parcel in the Main Post and FMERA's sale of the property will be contingent on FMERA's acquisition of title from the U.S. Army; and

WHEREAS, FMERA staff recommends proceeding with the offer to purchase process for the Nurses' Quarters because staff has received specific interest in the reuse of the parcel and the property's location along Main Street and adjacent to the Patterson Army Health Clinic, recently renovated by AcuteCare Management Services, increases its redevelopment potential, and the Request for Offers to Purchase ("RFOTP") process will enable FMERA to negotiate a redevelopment agreement that best achieves FMERA's objectives; and

WHEREAS, the Real Estate Committee has reviewed and discussed making the Nurses' Quarters available through the offer to purchase process and recommends it to the full Board of the Members for approval.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves making the Nurses' Quarters in Oceanport

available through the offer to purchase process, as set forth in the attached memorandum.

2. The Authority authorizes the Executive Director to take all necessary actions to effectuate the issuance of the Request for Offer to Purchase and the notice of availability for sale through the offer to purchase process.

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

ATTACHMENT

Dated: January 21, 2015

EXHIBIT 3



MEMORANDUM

TO: Members of the Authority

FROM: Bruce Steadman
Executive Director

RE: Making Available the Nurses' Quarters in the Main Post Area through the Offer to Purchase Process

DATE: January 21, 2015

Request

I am requesting that the Board authorize the Fort Monmouth Economic Revitalization Authority (FMERA) staff to make the Nurses' Quarters in Fort Monmouth's Main Post Area available through the offer to purchase process, in accordance with FMERA's approved sales rules.

Background

The Nurses' Quarters, also known as Buildings 1077 and 1078, are located in the Oceanport portion of the former Fort. Located along Main Street in Oceanport, and next to the former Patterson Army Health Clinic, the two buildings total approximately 18,655 square feet. They were built in 1962 and include 24 residential units.

The Fort Monmouth Reuse and Redevelopment Plan (the Reuse Plan) envisions a residential reuse of the buildings. The Parcel is located in the Main Post Area and is a Phase 2 property. FMERA expects to complete negotiations with the Army and receive a deed for the property by the end of the second quarter of 2015. FMERA's sale of the property will be contingent on FMERA's acquisition of title from the U.S. Army.

The Board of Directors approved the Rules for the Sale of Real and Personal Property (the Sale Rules) at the August 17, 2011 Meeting of the Authority. In accordance with Section 19:31C-2.5(a) of the Sale Rules, before advertising a particular parcel of real property and accompanying personal property as being available for sale through the Offer to Purchase process, the Board shall review and approve a recommendation of the Director and FMERA to offer the property for sale through the Offer to Purchase process. In its determination to use the Offer to Purchase process, the Board also may consider various factors including, but not limited to, purchase price, jobs to be created and timing, to determine whether the offer to purchase process will enhance the economic value to FMERA or Fort Monmouth. After the RFOTP is issued and

offers are received and negotiated, the Director and FMERA staff shall present a recommendation to the Board to accept an offer, to terminate negotiations regarding offers, or to take other appropriate action.

Authority staff recommends proceeding with the offer to purchase process for the Nurses' Quarters rather than sealed bids. This recommendation is based on the fact that there is specific interest in the parcel and that staff believes that the issuance of a Request for Offer to Purchase (RFOTP) will result in a successful outcome with an interested party. Additionally, the property's location along Main Street, adjacent to the Patterson Army Health Clinic, which was recently purchased by AcuteCare Management Services, increases its redevelopment potential. The RFOTP process will create the best opportunity to negotiate a redevelopment agreement that best achieves FMERA's objective of redeveloping the Nurses' Quarters, is well received by the host municipality, assures that redevelopment is as compatible as possible with the reuse of the Health Clinic and realizes the highest sale proceeds for FMERA.

The Real Estate Committee recommends that the Board Members authorize FMERA staff to make the Nurses' Quarters available through the offer to purchase process.

Recommendation

In summary, I am requesting that the Board authorize the Fort Monmouth Economic Revitalization Authority (FMERA) staff to make the Nurses' Quarters in Fort Monmouth's Main Post Area available through the offer to purchase process, in accordance with FMERA's approved sales rules.


Bruce Steadman 

Attachment: Proposed Parcel Map
Prepared by: Candice Valente



Main Street

Cocyane Ave

3.75 AC

01077

01078

ADOPTED
January 21, 2015

Resolution Regarding
**Approval to Extend the Exclusive Negotiating Period with Lennar Corporation for Parcels
C and C1**

WHEREAS, on March 26, 2013, the Fort Monmouth Economic Revitalization Authority (FMERA) issued and publicly advertised a Request for Offers to Purchase (RFOTP) for Parcel C with a response date of June 10, 2013, and a RFOTP for Parcel C1 with a response date of June 10, 2013, 77 days after the issuance of the RFOTPs, in connection with the planned redevelopment of Parcels C and C1 in Tinton Falls; and

WHEREAS, Parcel C is a 39-acre lot that formerly contained enlisted family housing and currently contains one building, the former Post Chapel, built in 1942 and slated for demolition; and

WHEREAS, Parcel C1 is a 12-acre tract located in the Tinton Falls Reuse Area, containing three buildings, which are slated for demolition; 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 staff to enter into exclusive negotiations with Lennar, based on the recommendation of the evaluation committee, and by letter dated August 22, 2014, the Executive Director extended the exclusive negotiating period for an additional thirty days as permitted by the Authority's Sales Rules; and

WHEREAS, at the Authority's September 17, 2014 meeting, the Board authorized an extension to the exclusive negotiations period with Lennar for an additional sixty days, based on the recommendation of the Real Estate Committee; and

WHEREAS, negotiations were put on hold while discussions continued over the calculation of project costs, but FMERA staff and Lennar have made significant progress toward the negotiation of a mutually acceptable Purchase and Sale Agreement (PSA) for Parcels C and C1, and staff believes that there is a likelihood that further negotiation will result in agreement over business terms; and

WHEREAS, the Real Estate Committee has reviewed and discussed extending the exclusive negotiating period and recommends approving the extension to March 18, 2015 to the full Board.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority authorizes an extension of the exclusive negotiating period through March 18, 2015, as set forth in the attached memorandum, and authorizes the Executive Director to take all necessary actions to effectuate the extension.

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

ATTACHMENT

Dated: January 21, 2015

EXHIBIT 4



MEMORANDUM

TO: Members of the Authority

FROM: Bruce Steadman
Executive Director

RE: Consideration of Authorization for FMERA Staff to Extend the Exclusive Negotiating Period for Parcels C and C1

DATE: January 21, 2015

Request

I am requesting that the Board authorize FMERA staff to extend the exclusive negotiating period with Lennar Corporation (Lennar) until March 18, 2015, for the purpose of negotiating a Purchase and Sale Agreement (PSA) for Parcels C and C1 in Tinton Falls, in accordance with the Authority's Rules for the Sale of Real and Personal Property (Sales Rules).

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. Parcel C is a 39-acre lot that formerly contained enlisted family housing and currently contains one building, the former Post Chapel, built in 1942 and slated for demolition. The Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan) calls for Parcel C to be a mixed-use town center, accommodating up to 239 newly constructed residential units, along with up to 107,000 square feet of retail and other commercial development. Parcel C1 is a 12-acre tract located in the Tinton Falls Reuse Area, containing three buildings, which are also slated for demolition. In accordance with Reuse Plan Amendment #1, the property can accommodate up to 49 newly constructed residential units. Per FMERA's Land Use Rules, 20% of the housing units developed on Parcels C and C1 shall be affordable to low- and moderate-income households as determined by New Jersey law. The RFOTPs were 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. The response date for offers to purchase Parcels C and C1 was June 10, 2013.

FMERA received three proposals for Parcel C and three proposals for Parcel C1. Some firms submitted multiple scenarios for redevelopment. An evaluation team scored the proposals independently, according to criteria and weightings contained in each RFOTP and the Sales Rules. Lennar, a national homebuilding and real estate development leader, submitted the highest scoring proposals for both Parcel C and C1. Lennar also submitted the highest price proposals for both Parcel C and C1. As part of their analysis, the evaluators reviewed the Lennar proposals for

compliance with the Reuse Plan in all aspects. Since Tinton Falls is no longer requesting a library on Parcel C, it was expected that a Plan Amendment would be needed for Parcel C and all bidders were informed of this potential plan amendment in the RFOTP for Parcel C. Because of potential site constraints on Parcel C1, Lennar's proposals may also need a Plan Amendment to shift some of the housing from Parcel C1 to Parcel C; however, the total number of housing units on the two parcels would remain unchanged.

As the leading proposer for both Parcel C and C1, Lennar's submission will be considered one project. The proposals call for a total of 288 residential units, 20% of which will be affordable to low- and moderate-income households. Lennar's conceptual site plans for both Parcels C and C1 emphasize connectivity through the site to the adjacent road network, while promoting pedestrian activity within the development to link the neighborhoods with retail and commercial uses. Parcel C includes a community green as a neighborhood space, and both Parcels include tree-lined streets and sidewalks to create a green network throughout the community. The site concept for each Parcel utilizes medium-density and traditional-styled design.

At the Authority's April 23, 2014 meeting, the Board authorized staff to enter into exclusive negotiations with Lennar. Pursuant to the Sales Rules, Lennar made an additional deposit of 10% of the proposed purchase price that will be credited to Lennar at closing and executed a letter agreement confirming that the forty-five day exclusive negotiations period commenced on July 9, 2014. As provided under the Sales Rules, the negotiations are exclusive in that FMERA agreed not to consider any other proposals and cease negotiations with any other parties for the purchase of the property and instead negotiate with Lennar in good and reasonable faith for the purchase and sale of Parcels C and C1. Lennar agreed to terminate negotiations and discussions for the purchase of other competing property during the exclusive negotiating period. Both parties agreed to keep all negotiations confidential to the extent permissible under New Jersey law. By letter dated August 22, 2014, the Executive Director extended the exclusive negotiating period for an additional thirty (30) days, as permitted by the Sales Rules. At the September 2014 meeting of the Authority, the Board authorized a sixty (60) day extension of the exclusive negotiating period. Negotiations were subsequently put on hold while the parties discussed the impact of various project costs, as concerns the viability of the underlying project. As a result, Lennar is undertaking further analysis to confirm that the project is economically feasible, and is currently pursuing additional funding opportunities. Notwithstanding this issue, FMERA staff and Lennar have made significant progress toward the negotiation of a mutually acceptable PSA for Parcels C and C1, and staff believes there is a likelihood that further negotiation will result in agreement over business terms. Consequently, staff is requesting an additional extension of the exclusive negotiating period, until the March meeting of the Authority, March 18, 2015.

In addition to successfully completing negotiations, FMERA's execution of a contract to sell Parcels C and C1 to Lennar will be contingent upon final approval of the terms and conditions of sale by the FMERA Board at a future date, in the Board's sole and absolute discretion. The Real Estate Committee recommends that the Board Members authorize FMERA staff to extend the exclusive negotiating period with Lennar through March 18, 2015.

Recommendation

In summary, I am requesting that the Board authorize FMERA staff to extend the exclusive negotiating period with Lennar for a purchase agreement pursuant to the Request for Offers to Purchase (RFOTP) for Parcels C and C1, in accordance with the Authority's Rules for the Sale of Real and Personal Property.



Bruce Steadman

Prepared by: Candice Valente

ADOPTED
January 21, 2015

Resolution Regarding
**Approval of Addendum to Operating Authority and Standard Terms and Conditions of
Sale for Furniture, Fixture and Equipment Auctions**

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, FMERA took title to the Phase One Properties, including a bill of sale for all personal property within the Phase One Buildings; and

WHEREAS, the Board of the Authority approved a contract with The Auctioneers Group, LLC at the June 18, 2014 meeting of the Board; and

WHEREAS, FMERA staff worked with the contract auctioneer to develop a standard set of Terms and Conditions under which The Auctioneers Group would conduct auctions and these Terms and Conditions were approved by the Board on July 16, 2014; and

WHEREAS, FMERA staff has developed processes and procedures for Furniture and Equipment auction events, including how the auctions will be conducted, minimum advertisement, prior inspections, and ethical restrictions on who can bid; and

WHEREAS, there are items that were advertised and publically auctioned but not sold, and FMERA staff recommends working with the contracted auctioneers to reach out to prospective purchasers and negotiate the best possible price, based on prices realized by FMERA for items sold via auction, for these unsold items; and

WHEREAS, the Real Estate Committee has reviewed and discussed the Addendum to the Furniture and Equipment Auction Terms and Conditions of Sale and recommends Board approval.

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached memorandum, the Authority approves the addendum to the standard Terms and Conditions of Sale for Furniture, Fixture and Equipment Auctions.

2. The Authority authorizes staff to sell and negotiate the highest reasonable price for Furniture, Fixtures, and Equipment not sold at auction and to sign and deliver documents necessary and appropriate to complete such sales as acceptable to the Executive Director and the Attorney General’s Office.

3. This resolution shall take effect immediately, but no action authorized

herein shall have force and effect until 10 days, Saturdays, Sundays, and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor of the State of New Jersey for his approval, unless during such 10-day period the Governor of the State of New Jersey shall approve the same, in which case such action shall become effective upon such approval, as provided by the Act.

ATTACHMENT

Dated: January 21, 2015

EXHIBIT 5



MEMORANDUM

TO: Members of the Authority

FROM: Bruce Steadman
Executive Director

RE: Addendum to Furniture, Fixture and Equipment Auction Operating Authority and Standard Terms and Conditions of Sale

DATE: January 21, 2015

Summary

I am requesting the Board: (i) to delegate authority to staff to sell and negotiate the highest reasonable price for Furniture, Fixtures and Equipment (F&E) that did not garner any bids when presented for public auction at advertised auction events held on behalf of FMERA, and to sign and deliver documents necessary and appropriate to complete such sales as acceptable to the Executive Director and the Attorney General's Office; and (ii) to amend FMERA's standard Terms and Conditions of Sale for F&E auctions accordingly.

Background

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

In accordance with the federal Base Realignment and Closure law, Fort Monmouth was closed September 15, 2011. FMERA took title to the Phase One Properties, including a bill of sale for all personal property within the Phase One buildings. The FMERA Board approved a contract with The Auctioneers Group, LLC at the June 18, 2014 Board meeting. Upon expiration of the Governor's Veto period, FMERA staff worked with the contract auctioneer to develop a standard set of Terms and Conditions. At the July 16, 2014 Board meeting, FMERA adopted standard Terms and Conditions of Sale for Auctions.

FMERA will conduct open-cry auctions and the auctions will be open to the public but bidders must register before the auction event. Auctions will be absolute (i.e. without reserve) with the exception of specialty items as determined by staff with input from FMERA contract auctioneers/auction consultant. Furniture and Equipment will be divided into lots or sold individually as determined by staff with input from The Auctioneers Group. All sales will be final and subject to FMERA Standard Terms and Conditions for F&E Auctions. Sales will be conducted at Fort Monmouth in or near the buildings where the F&E is located.

Auctions will be advertised at a minimum in the Public Notice Section of The Star Ledger and The Asbury Park Press as well as posted to the FMERA website and The Auctioneers Group website. Auctions will be advertised for a minimum of 30 days prior to the auction event.

Prospective bidders will be permitted to inspect F&E prior to auctions.

Unless approved by the State Ethics Commission before an auction event is conducted, no State officer or employee or special State officer or employee (as those terms are defined in the Uniform Ethics Code) or any corporation, partnership, firm or association that is one (1%) percent or more owned or controlled by a State officer or employee or special State officer or employee shall bid to purchase or purchase from FMERA at any auction conducted on behalf of FMERA.

In the event there are items that were advertised and publically auctioned but not sold, staff, with the assistance from FMERA's contracted auctioneers, will reach out to prospective purchasers to sell these items for the best possible price. Prices realized by FMERA for items sold via auctions will be used as a guide for negotiating prices for these leftover items. Item #16 of Exhibit A to this Board Memo is added to confirm FMERA's policy for selling items that are offered for sale through auction but are not sold via auction.

The Real Estate Committee recommends that the Board authorize FMERA staff to negotiate and accept the highest reasonable price for items not sold at auction events and to provide documents necessary to complete such sales to the Executive Director and Attorney General's Office, and to amend the Terms and Conditions for auctions.

Recommendation

In summary, I am recommending that the Board: (i) delegate authority to staff to negotiate and accept the highest reasonable price for items not sold after being advertised for auction events conducted in accordance with FMERA's protocol for Furniture, Fixture and Equipment (F&E) auctions and to sign and deliver documents necessary and appropriate to complete such sales as acceptable to the Executive Director and the Attorney General's Office; and (ii) to amend FMERA's Terms and Conditions of Sale for F&E auctions accordingly.


Bruce Steadman 

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