

Fort Monmouth Economic Revitalization Authority
Board Meeting
March 16, 2016
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
- Michael Collins, Assistant Counsel, Authorities Unit, Office of the Governor – V
- Lillian Burry, Monmouth County Freeholder – V
- Dr. Robert Lucky, Public Member – V
- Gerald Turning, Mayor of Tinton Falls – V
- Patricia Cooper, Oceanport Councilwoman – V
- Dennis Connelly, Mayor of Eatontown – V
- Tim Lizura, President and COO, New Jersey Economic Development Authority (EDA) – V
- Helene Rubin, Section Chief, Division of Statewide Planning, NJ Department of Transportation (DOT)
- 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)
- John Raue, Senior Policy Advisor to the Commissioner, NJ Department of Labor & Workforce Development (DOL)

V - Denotes Voting Member

Members not present:

Also present:

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

II.

The meeting was called to order by Chairman James V. Gorman at 7:00p.m. who led the meeting in the Pledge of Allegiance to the flag of the United States of America.

In accordance with the Open Public Meetings Act, FMERA Secretary Bruce Steadman announced that 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 February 17th meeting minutes. A motion was made to approve the minutes by Lillian Burry and seconded by Dennis Connelly.

Motion to Approve: LILLIAN BURRY Second: DENNIS CONNELLY
AYes: 6

Patricia Cooper abstained from voting stating she was not at the February meeting.
Robert Lucky abstained from voting stating he was not at the February meeting.

The next item of business was the approval of the February 17th Executive Session meeting minutes. A motion was made to approve the minutes by Dennis Connelly and seconded by Lillian Burry.

Motion to Approve: DENNIS CONNELLY Second: LILLIAN BURRY
AYes: 6

Patricia Cooper abstained from voting stating she was not at the February meeting.
Robert Lucky abstained from voting stating he was not at the February 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 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 meeting agenda called for the public to receive reports from the Staff Advisory Committees and the Statutory Committee meetings. Mr. Gorman stated that the reports are provided to allow for public input and transparency in the conduct of the Authority's effort to implement the Reuse Plan. Mr. Gorman stated that there is one board action; 1) Consideration of Approval of a Use and Occupancy License for a 3-acre Parcel in Oceanport for the County of Monmouth.

The Chairman went on to state that there will be two public comment periods at the meeting based on the Authority's public 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

Bruce Steadman stated that there was no Secretary's report.

V. TREASURER'S REPORT

Jennifer Lepore, Senior Finance Officer stated that the 2015 audit continues. The Auditors will report on the Authority's financial statements and accompanying notes, as well as internal controls and compliance with Government Auditing Standards. The Auditors will report their findings to the Audit Committee meeting on April 6th. Subject to the Audit Committee's recommendation, the 2015 Comprehensive Annual Report including the audited financial statements will be forwarded to the Board for their review in April. A new grant application is being prepared to support the Authority's operations for the period July 1, 2016 through June 30, 2017. The funds being requested from the Office of Economic Adjustment are consistent with the budget approved by the Authority's Board for fiscal year 2016 and presented to the State's Office of Management and Budget in support of the Authority's appropriation request.

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

Beatrice Priestly of Eatontown asked if it would be possible to turn Suneagles Golf course into an indoor/outdoor water park. Ms. Priestly asked if the Borough of Eatontown was still interested in Mallette Hall as the Borough's municipal building.

Roseanne Letson of Oceanport asked for the status of the Nurses Quarters and would they remain as one and two bedroom units. Ms. Letson asked what the permanent plans will be for the Nurses Quarters.

Tom Mahedy of Wall Township asserted that the 3-acre parcel being transferred to the County for the County Homeless Shelter should be paid for by the Army and not the County or Oceanport. Mr. Mahedy asserted that the Fort is public land that was paid for by the taxpayers and the Army should not receive any money from the sale proceeds. Mr. Mahedy asserted that the Veterans project is being developed in a contaminated area. Mr. Mahedy asserted that a dump is being dug in front of the Veterans parcel and being filled with contamination. Mr. Mahedy asserted that the former gas station near the County Teen Center and pool is toxic and contains a contaminated plume. Mr. Mahedy asserted that the boardwalk nature trail being built at the Teen Center is located over contaminated water.

Mr. Steadman answered Ms. Priestly by stating that he will discuss the water park idea with the Marketing Department. Mr. Steadman stated that it would be a significant change to the Reuse Plan, and that we still plan to put the golf course out for bid through another RFOTP. Mr. Steadman stated that the Borough of Eatontown determined that Mallette Hall was too big and costly to renovate and it did not fit into the Borough's plans. Mayor Connelly confirmed this.

Mr. Steadman answered Roseanne Letson stating that the current status for the Nurses Quarters will be determined pending a meeting with the Oceanport Ad Hoc Committee to discuss the lead proposal's concept plan. Mr. Nuse stated that the buildings are currently configured as 1 and 2 bedrooms apartments and the lead proposal called for keeping them as such.

Mr. Steadman answered Mr. Mahedy by stating that the homeless shelter is a contractual obligation through FMERA's Legally Binding Agreements between FMERA and Monmouth County, and the Reuse Plan calls for it to be located within the Oceanport section of the Fort. Mr. Steadman stated that Mr. Mahedy's other assertions have been addressed on numerous occasions in the past. Mr. Kloo stated that there is additional investigative work required for soils at the gas station in Charles Wood and the ground water is degrading via natural attenuation, and there is a minimal amount of contamination in this carve-out area.

VII. EXECUTIVE DIRECTOR'S REPORT

Rick Harrison, Director of Facilities Planning stated that FMERA continues to have weekly conference calls with all involved Army organizations to resolve the remaining issues on the draft Memorandum of Agreement (MOA). The Army is targeting April 1st for the issuance of the Final Phase 2 FOST for a 30 day public comment period. Our goal is to seek approval from the Board to execute the Phase 2 MOA with the Army at the April Board meeting.

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

Auctioneer

There has been no auction activity since November 10th. The Auctioneer will begin preparing for auctions of the Phase 2 properties in April for auctions to begin as soon as the Phase 2 Property transfers with a small lot auction to be held in early fall.

Utilities

FMERA continues to plan for upgrades to utility systems and working with the public utilities and our subcontractors to ensure required utilities are safe and operational. There have been meetings with Two Rivers Water Reclamation Authority (TRWRA), NJ American Water and the three borough's engineers and officials to plan a path forward for both sanitary sewer and water service. FMERA is also discussing roadways, public rights of way and easements with the three Boroughs. FMERA has been advised that a final Transfer Agreement with JCP&L to own, operate and maintain the CWA power system will be executed by JCP&L this Friday. This agreement will also serve as a template for a Phase 2 agreement. Once FMERA receives the signed JCP&L agreement it will be presented to the FMERA Board for approval to execute on behalf of FMERA.

Suneagles

Our golf course operator reports, what a difference a year makes. So the prior winter was so bad that February yielded 0 rounds of golf. This year there were 628. While this is hardly a robust number, for winter golf we will take it. The course healed remarkably well this year. With the application of pre-emergent for certain weed growth the course is off to a very healthy start to the 2016 season. The maintenance crew has been cleaning the course of leaves and fallen branches. We even started mowing greens and tees this week. We are also at the beginning stages of nutrient application to ensure healthy conditions throughout the season. Aeration and top dressing will occur in a few weeks so that the greens come in better than ever. We are very optimistic that the course will be in excellent condition soon.

Property Management/Maintenance

Our property management/maintenance team, Chenega Operations Services, has been busy keeping our property presentable and secure, for both marketing purposes and keeping our employees and tenants safe and comfortable. They are preparing for the upcoming spring season. We are also going out for quotes on our annual building maintenance contracted services. We are also preparing for the transition to maintain the Phase 2 property when transferred.

Marina

The Marina is focused on special events such as St. Patrick's Day and looking forward to warmer weather and the boating season. They continue to be open evenings and for brunch on the weekends and are planning to open for lunch in early May.

Appraiser Request for Qualifications

FMERA issued a Request for Qualifications (RFQ) for Real Estate Appraisal Services on November 13th. Qualifications were received on December 14th and 5 proposals were received. Through this RFQ, the Authority sought to establish a pre-qualified pool of five (5) to ten (10) qualified firms to provide these services on an as needed basis. Due to poor response, we have terminated this RFQ and will be reissuing the RFQ modifying that requirement.

Sublease of McAfee Center Complex – Buildings 600

FMERA issued an RFP for a Sublease of Building 600, the McAfee Center, also located in the Oceanport Reuse Area. The RFP allows for the option of leasing one floor, two floors or the entire building, and offers must include a plan to use the property for scientific, engineering and/or information technology-related uses. Proposals were due on February 5, 2016, and one proposal was received. FMERA staff is reviewing the proposal to determine the feasibility and will form an Evaluation Committee if needed.

Dave Nuse, Director of Real Estate Development stated that FMERA's marketing and development staff anticipates that 2016 will continue the high level of activity we experienced last year, with 8 RFOTPs planned for release by mid-year. Following is a town-by-town update on our activity:

In Oceanport, FMERA has executed contracts on 3 parcels:

- Officer Housing Parcel, consisting of 117 historic housing units, where RPM Development is the selected purchaser;
- Fitness Center, where FM Partners is proposing to renovate and expand that facility;
- Russel Hall, the 40,000 sf former Garrison Headquarters building, to a NYC-based tech company, TetherView.

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

- Nurses Quarters, a 24-unit residential complex on Main Street adjacent to the former Patterson Army Hospital;
- the 16,000 sf recreation building on Brewer Avenue known as the Dance Hall, which is projected for commercial reuse;
- Marina on Oceanport Creek.

FMERA also received Board approval to issue RFOTPs for several other properties in Oceanport: Squier Hall, Barker Circle, Allison Hall, the Main Post Chapel and the Lodging Area. Those RFOTPs will be released over the next few months.

FMERA issued a Request for Proposals in January for the lease of the McAfee Center building in Oceanport for scientific, engineering or information technology related use, and one response was received. Discussions have begun with the proposer.

In Eatontown, FMERA has proposals in hand on 2 properties:

- The Howard Commons site on Pinebrook Road, zoned for 275 homes and up to 15,000 sf of retail space;
- And the expanded Parcel B site, the mixed-use town center property fronting Route 35, calling for approximately 250,000 sf of retail space and 302 housing units on up to 89 acres.

FMERA and Army representatives have evaluated the Howard Commons and Parcel B proposals, and FMERA has begun negotiations with the highest ranked parties.

FMERA will be issuing an RFOTP for the 6 barracks buildings on Semaphore Avenue in Eatontown shortly. Those buildings are targeted for arts-related reuse, possibly entailing artist live/work space. FMERA staff is also planning for a reissuance of the Suneagles Golf Course RFOTP this spring.

In Tinton Falls, FMERA sold Building 2525 to RADAR Properties in February. RADAR will lease the building to Aaski Technology and other tenants for technology and office uses.

FMERA signed Purchase and Sale & Redevelopment Agreements with:

- Lennar Corporation for Parcels C & C1, approved for 288 units of housing and 58,000 sf of retail development;
- Pinebrook Commerce Center, LLC for the Fabrication Shops, 45,000 sf of light industrial and flex space buildings on Pinebrook Road;
- Kiely Realty Group for the sale of the Pistol Range and the adjacent Satellite Drive Parcel and
- Trinity Hall for the former Child Development Center on Hope Road to serve as that school's new home.

FMERA also received Board approval to execute a contract with the Monmouth County Park System for Parcel F-3, the former gas station site on Hope Road, and expects to sign that contract shortly.

FMERA plans to issue an RFOTP this spring for the expanded fire house site on Corregidor Road.

Candice Valente, Senior Planning and Development Officer stated that FMERA and Cushman & Wakefield (Cushman), the Authority's Master Broker, are preparing to issue a new round of Requests for Offers to Purchase in 2016. FMERA and Cushman conduct several tours per week, and will be posting new flyers and information on available sites on FMERA's website in the coming weeks.

FMERA staff actively markets the Fort to the real estate industry by participating in conferences and events throughout the region. Members of the Real Estate Department attended the New Jersey Future Redevelopment Forum on March 11th, and are planning future events centered around National Economic Development Week in May and the Governor's Housing and Economic Development Conference in September. FMERA also plans to host tours of the Fort for the local community this spring and summer.

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

Other Items

Mr. Steadman listed the following action items:

- FMERA will be conducting bus tours for each of the three host municipalities. The Tinton Falls and Eatontown bus tours have not yet been scheduled. Oceanport's first bus tour was completed last year.
- Continued work with the N.J. Department of Environmental Protection to identify and resolve important environmental issues of concerns as they relate to water and sewer.
- Continued meetings and tours with interested prospective employers and investors.
- Continued collaboration with the NJEDA Trenton Office on marketing and business development opportunities and their continued help on several projects.
- Continued meetings with Tinton Falls, Oceanport, Eatontown, and the County during the month regarding streets, utilities, redevelopment projects, and other important issues.

Mr. Steadman also noted that the FMERA/Oceanport sublease for the Police Department's use of the former firehouse has been extended through September, per the FMERA/Army lease. Mr. Steadman also thanked Mr. Bob English of Eatontown for his emails to Mr. Steadman with some marketing ideas for future use of Fort parcels.

VIII. COMMITTEE REPORTS

a) AUDIT COMMITTEE (ROBERT LUCKY, CHAIRMAN)

Robert Lucky stated that the Committee did not meet this month, but will be meeting on April 6th to review the Annual report.

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

Chairman Gorman stated that the Committee met on March 8th and discussed the following:

- Discussions and summary of the final draft of the MOA with the Army for Phase 2 property and the outstanding landfills issues.
- Discussion regarding the use and occupancy license with the County of Monmouth for a 3-acre parcel in Oceanport for the County emergency homeless shelter. The Committee reached a consensus and agreed to recommend approval of the Use and Occupancy license to the Board.
- Other Issues:
 - Myer Center
 - McAfee Center
 - Suneagles Golf Course
 - Howard Commons
 - Building 1123
 - Parcel B
 - Upcoming RFOTPs

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

Kenneth J. Kloo stated that the Committee met on March 7th and discussed the following:

- Discussion regarding the former Child Development Center and its associated parcel in Tinton Falls, which is currently under contract with Trinity Hall. The Committee discussed the Environmental Features checklist as submitted by the purchaser, as well as traffic impacts. As the checklist accompanying the Mandatory Conceptual Review (MCR) submitted by the purchaser demonstrates the project does not detrimentally impact environmental features, no further action by the Committee is required.
- Discussion regarding the status of negotiations related to the Army's position on polynuclear aromatic hydrocarbons (PAHs) and the Army's ongoing delineation of same. DEP representatives provided an

explanation of the difference in discharges covered by the Army's obligations pursuant to the federal Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) and those not covered by CERCLA or State law. The Committee discussed the implications of this topic for Parcel 49, which is located in the Squier Hall Complex in Oceanport, as well as for Parcel 53, a currently unimproved parcel in Eatontown.

- Discussion regarding the current status of negotiations with the Army in relation to a plan for closure and conveyance of the landfills in the Phase 2 property. For discussion purposes, DEP representatives described the conditions of two landfills adjacent to the Squier Hall Complex, and explained the ongoing remediation responsibilities for the current and future owners of the property. The Committee discussed the treatment of the landfills in the negotiated Memorandum of Agreement for the conveyance of the Phase 2 property.
- d) HISTORICAL PRESERVATION STAFF ADVISORY COMMITTEE (BRUCE STEADMAN, INTERIM CHAIRMAN):

Bruce Steadman stated that the Committee did not meet this month but will be meeting on March 30th.

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

Gina Fischetti stated that the Committee met on March 3rd and discussed the following:

- Discussions regarding the Nurses Quarters. The buildings will be developed as 24 one and two bedroom apartments with 20% affordable. The leading proposer submitted three scenarios which FMERA will discuss with the Oceanport Ad Hoc Committee.
- Discussions regarding Parcel B. FMERA has entered into Exclusive Negotiations with Fort Monmouth Parcel B Redevelopment, LLC. Parcel B will include retail and/or commercial development on the parcel with the number of housing units at 302.
- Discussions regarding Howard Commons. FMERA has begun discussions with the lead developer. FMERA and the Eatontown Ad Hoc Committee have reviewed the site plan that was submitted and are in agreement.
- Discussions regarding Parcels C & C1. FMERA has an executed PSARA with Lennar Corporation. Lennar has begun their due diligence on the parcels. Parcel C will be developed to accommodate up to 239 residential units and Parcel C1 up to 49 residential units. Both Parcels will contain 20% affordable housing
- Discussions regarding Parcel F-1 (Veterans Community). One proposal was received. Staff will be making a recommendation to the Real Estate Committee at its April meeting.
- Other Discussion Items:
 - Officers Housing
 - Upcoming RFOTPs – Barker Circle, Lodging Area, Charles Wood Firehouse, Squier Hall, and Allison Hall.

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

Lillian Burry stated that the Committee did not meet this month but will be meeting in March.

IX. BOARD ACTIONS

- A) The first item before the Board was the consideration of approval of a Use and Occupancy License for a 3-acre parcel in Oceanport for the County of Monmouth.

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

The resolution and accompanying Board memorandum are attached hereto and marked Exhibit 1.

Candice Valente read a summary of the Board memo.

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

X. OTHER ITEMS

There were no other items before the Board.

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

Linda Zucaro of Tinton Falls stated that Housing advocates are very concerned with regards to the the collapse of the Veterans housing project in Tinton Falls. Ms. Zucaro stated that there are many homeless veterans from all branches of service and the project needs to reevaluated and completed.

Tom Mahedy of Wall Township angrily asserted that the Restoration Advisory Board (RAB) had a meeting last month after having no meetings in the past year. Mr. Mahedy went on to complain about other aspects of the RAB, to which the Chairman responded that the RAB is not a FMERA-governed entity, that FMERA has nothing to do with the RAB's operation, and that Mr. Mahedy's comments should be limited to FMERA business, in accordance with FMERA's public comment policy. Mr. Mahedy vehemently argued with Mr. Gorman on what was appropriate for comment at a FMERA meeting. When Mr. Mahedy persisted in discussing the RAB, and interrupting the FMERA meeting, after repeatedly asking Mr. Mahedy to refrain from such comments without success, then Mr. Gorman asked the Oceanport police officers to escort Mr. Mahedy from the meeting. Upon refusing to leave or cooperate with the Oceanport police officers, Mr. Mahedy grabbed the podium and hollered disrespectfully at the Chairman and yelled out his complaints about the RAB and his desire to discuss the RAB at the FMERA meeting. Mr. Mahedy's noise and commotion forced the Chairman to interrupt the proceedings of the meeting. Mr. Mahedy continued to argue loudly with the police officers as they escorted him outside the FMERA board room and eventually outside the building. Decorum returned when he was outside of hearing range, and the Chairman apologized for the disturbing outburst and was then able to continue with the agenda.

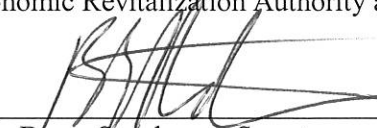
Bruce Steadman responded to Ms. Zucaro that both FMERA and the Board are committed to a successful Veterans project at the Fort, and the process to find a developer for such a project is somewhat difficult due to the MOA and the public bidding requirements. Mr. Steadman stated that during discussions with the proposer, there were several issues that were addressed and subsequently, the lead proposer withdrew. Mr. Steadman stated that FMERA will be reviewing the project again and will be reissuing an RFOTP for a Veterans project very soon.

Mr. Gorman stated that the Real Estate Committee will redouble their efforts regarding a Veterans project.

Ms. Burry stated that from the County perspective, the County is working on Veterans issues and strongly supports a Veterans project at the Fort.

There being no further business, on a motion by Michael Collins seconded by Tim Lizura and unanimously approved by all voting members present, the meeting was adjourned at 7:55p.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
March 16, 2016

Resolution Regarding
**Approval of Agreement with the Army and Memorandum of Understanding with the
County of Monmouth for Use and Occupancy of 3-Acre Parcel in Oceanport**

WHEREAS, in September 2008, the Fort Monmouth Economic Revitalization Planning Authority (FMERPA), the predecessor to FMERA, submitted a Homeless Assistance Submission along with the Reuse Plan to the U.S. Department of Housing and Urban Development (HUD) which included a Legally Binding Agreement (LBA) providing for an emergency shelter for the County of Monmouth (County), which was subsequently approved by HUD in 2010; and

WHEREAS, in 2012 the existing County shelter on Fort Monmouth in the Oceanport Reuse Area was evacuated due to flooding by Superstorm Sandy, and the County temporarily relocated the shelter to an offsite County-owned facility; and

WHEREAS, the County has since sold this facility and has pursued the option to relocate the facility back on Fort Monmouth per the LBA and FMERA's obligation to provide an emergency shelter for the County; and

WHEREAS, in November 2015, the Board approved FMERA staff entering into a Memorandum of Understanding (MOU) with the County for Building 901 and the adjacent parcel, based on the terms and conditions of a use and occupancy license with the Army for the property; and

WHEREAS, the County and FMERA have identified a more suitable site in Oceanport for the County's short- and long-term needs, which includes Buildings 906 and 908 on a 3-acre parcel, including paved and parking areas; and

WHEREAS, FMERA will enter into a standard form of use and occupancy agreement with the Army for the 3-acre parcel that expires upon conveyance of the property to FMERA; and

WHEREAS, FMERA will enter into a Memorandum of Understanding (MOU) with the County for use and occupancy of the parcel as a temporary homeless shelter based on the terms and conditions outlined in the attached memorandum; and

WHEREAS, the County shall pay all costs of utilities and other services during the term of the MOU; and

WHEREAS, the Real Estate Committee has reviewed the request and recommends that the Board authorize the agreement with the Army and the MOU with the County;

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached memorandum, the Board authorizes the execution of a standard form Use and Occupancy Agreement with the Army and a standard form Use and Occupancy Memorandum of Understanding with the County of Monmouth, with final terms subject to the approval of FMERA's Executive Director and the Attorney General's Office. The Executive Director or other staff authorized to execute documents pursuant to Operating Authority is authorized to do and perform all acts necessary to effectuate this action.

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

Dated: March 16, 2016

EXHIBIT 1

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

DATE: March 16, 2016

RE: Use and Occupancy Licenses With the Army and the County of Monmouth for a 3-Acre Parcel in Oceanport

Summary

I am requesting that the Board approve FMERA obtaining a license to use a 3 acre parcel in the Borough of Oceanport through the Army's standard form of use and occupancy agreement, and conveying possession of that property to the County of Monmouth for use as a homeless shelter site using FMERA's standard form of use and occupancy memorandum of understanding. This parcel is the intended permanent site of the County homeless shelter.

Background

The Fort Monmouth Economic Revitalization Planning Authority (FMERPA) submitted a Homeless Assistance Submission (HAS), along with the Fort Monmouth Reuse and Redevelopment Plan (the Reuse Plan), in September of 2008 to the U.S. Department Housing and Urban Development (HUD) which included a Legally Binding Agreement (LBA) (Exhibit b14) providing for an emergency shelter for the County of Monmouth. This shelter would have replaced the shelter on Fort Monmouth Property that had been utilized by the County under an agreement with the U.S. Army. The HAS was subsequently approved by HUD in 2010. In 2012 the existing shelter was evacuated due to flooding caused by Storm Sandy. The County of Monmouth temporarily relocated the shelter to a County owned facility. Plans were underway to renegotiate the LBA to subsidize improvements to that facility to provide a permanent shelter that would have fulfilled FMERA's LBA obligation to the County. Recently, the County sold its temporary facility and now needs to relocate the shelter again. As FMERA still has an obligation to provide a shelter for the County, the County requested help from FMERA in finding a replacement temporary facility on the Fort that could be occupied within a short time frame. As the Reuse Plan located the County's shelter in the Oceanport area of the Fort, FMERA staff looked for potential buildings in the Oceanport area that could be activated in a short timeframe; however, all of the buildings in the Oceanport area are still owned by the Army which would require a lengthy time frame to obtain an environmental clearance and lease from the Army. FMERA presented an option to the County, Building 901, which had been occupied by the NJ National Guard up until September 30, 2015 under a License from the Army. FMERA entered

into a License with the Army that expires on March 31, 2016 and subsequently entered into an Interior and Exterior Improvement Right of Entry Permit with the County to start making improvements and renovations to Building 901.

In November 2015, FMERA then presented to the Board a request to approve a Use and Occupancy Memorandum of Understanding (MOU) with the County to permit the use of Building 901 as a temporary homeless shelter. The term of the MOU would have extended no later than three (3) years from execution of the document; provided, however, the term of the MOU could be revocable by FMERA in the event that: (i) the US Army has not conveyed title to the Premises to FMERA on or before March 31, 2016, or (ii) the US Army has not extended the Term of the License granted by the US Army to FMERA. The Board approved this request on November 12, 2015.

The County has since revisited the site and noted the extensive cost of renovations to reuse the building. In addition, the future redevelopment of the adjacent acreage may require the County to find a new location for the shelter at the conclusion of the three-year term. In May of 2015, FMERA entered into a Lease with the Army, and a sublease with the Borough of Oceanport for an adjacent parcel, including several buildings. This parcel has functioned as the temporary home of the Borough's Department of Public Works. FMERA and the Borough have discussed the long-term use of the site, including Building 901, as a municipal complex. In order to meet its obligation to the County, FMERA has identified another location on the Fort which may be more suitable for the long-term needs of the County. Located across Stephenson Avenue from Building 901, the proposed parcel depicted on the attached map totals 3 acres and includes two buildings, Buildings 906 and 908, and the accompanying paved and parking areas. These buildings are slated for demolition in the Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan), and the parcel is envisioned as open space. In Amendment #2 to the Reuse Plan, adopted in December 2012, the Board approved the relocation of residential housing to the southern portion of this property, along an extended Center Street. FMERA staff will present a proposed Reuse Plan amendment to the Committee this spring permitting the County's long-term use of the 3-acre site for an emergency homeless shelter, as well as the long-term use of the adjacent site for a municipal complex. These two parcels will reduce the amount of passive open space envisioned in the Plan, and included in Amendment #2. FMERA staff will pursue opportunities to identify other areas on the Fort for relocation of this open space, including the location formerly slated for the County shelter, along Sherrill Avenue in Oceanport. The change in use of the property would be from open space to civic use for a public entity; FMERA's Suggested Implementation of Open Space Inventory for Redevelopment of Fort Monmouth, prepared by FMERA's contracted professional planner and approved by the Board in May 2015, recommends that an alternate use that benefits the public should be deducted from the total open space goal that FMERA intends to pursue on the Fort.

The Authority will secure a license to use the Property through the Army's standard form of use and occupancy agreement, and convey possession of the Property to the County using FMERA's standard form of use and occupancy memorandum of understanding. The final terms of the documents will be subject to the approval of the Executive Director and the Attorney General's Office. The licenses will allow for the County to install temporary facilities on the site for immediate shelter needs. FMERA will then negotiate final terms of an administrative letter and

purchase and sale agreement with the County for the transfer and long-term use of the property that may include the demolition of the two buildings and construction of a new facility. The terms of the administrative letter and purchase and sale agreement will seek to satisfy FMERA's obligations under the LBA and will be presented to the Real Estate Committee for its recommendation to the Board at a subsequent meeting.

The Real Estate Committee reviewed the request and recommends Board approval of FMERA obtaining a license with the Army for the 3-acre parcel through the standard use and occupancy agreement and conveying possession of the property to the County for use as the emergency homeless shelter through the standard form of use and occupancy memorandum of understanding.

Recommendation

In summary, I am requesting that the Real Estate Committee recommend that the Board approve FMERA obtaining a license to use the 3 acre parcel in the Borough of Oceanport depicted on the attached map through the Army's standard form of use and occupancy agreement, and conveying possession of that property to the County for use as a homeless shelter site using FMERA's standard form of use and occupancy memorandum of understanding, all on final terms acceptable to the Executive Director and the Attorney General's Office.



Bruce Steadman

Attachment: Parcel Map
Prepared by: Candice Valente
David E. Nuse

