



DISCOVER › INNOVATE › TRANSFORM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director and Secretary

DATE: April 15, 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. **Approval of Previous Month’s Executive Session Minutes**
6. **Welcome – James V. Gorman, Chairman**
7. **Secretary’s Report**
8. **Treasurer’s Report**
9. **Public Comment Regarding Board Action Items**
10. **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

11. **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

12. **Other Board Actions**
 - Consideration of Approval of the Authority’s Comprehensive Annual Report for 2014, as Required by Executive Order No. 37

 - Consideration of Approval of Lease with the Army and Sublease with the Oceanport Department of Public Works for the 900 Area

 - Consideration of Approval of Purchase and Sale Agreement and Redevelopment Agreement with Pinebrook Commerce Center, LLC, for Pinebrook Road Commerce Center

There will be no action at tonight’s meeting on the following item:

 - Consideration of Approval of Purchase and Sale Agreement and Redevelopment Agreement with RPM Development for Officer Housing

13. **Executive Session – OPMA EXEMPTION N.J.S.A. 10:4-12b(7):**
 - Discuss Attorney-Client Privilege Matter

14. **Old Business**
 - Tabled Motion

15. **Other Items**

16. **Public Comment Regarding any FMERA Business**
 - Responses to questions submitted online or in writing

17. **Adjournment**

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
- Dr. Robert Lucky, Public Member – V
- Michael Collins, Assistant Counsel, Authorities Unit, Office of the Governor – V
- Lillian Burry, Monmouth County Freeholder – V
- Gerald Turning, Mayor of Tinton Falls – V
- Michael Mahon, Mayor of Oceanport – V
- Dennis Connolly, Mayor of Eatontown – 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)
- Kenneth J. Kloo, Director, Site Remediation Program, NJ Department of Environmental Protection (DEP)
- Gina Fischetti, Chief Counsel, Local Planning Services, NJ Department of Community Affairs (DCA)
- Jonathan Lowy, Regional Manager, Government and Community Relations, NJ Transit (NJT) (via phone)

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 7:02 p.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 February 26th meeting minutes. A motion was made to approve the minutes by Tim Lizura and seconded by Michael Collins.

Motion to Approve: TIM LIZURA Second: MICHAEL COLLINS

AYes: 8

Lillian Burry abstained from voting stating she was not at the February 26th 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 this month the Supreme Court ruled that the courts will take over the regulation of affordable housing in New Jersey through its Council on Affordable Housing (COAH) decision. Mr. Gorman asked that DAG Gabriel Chacon be prepared to assist the members of the Board on the COAH decision. 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: consideration of approval of Historic Preservation Design Guidelines for the Fort Monmouth Historic Resources in the Boroughs of Eatontown and Oceanport, NJ.

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 he had nothing to report.

V. TREASURER'S REPORT

Jennifer Lepore, Senior Finance Officer, stated that a new federal grant application is being prepared to support the Authority's operations for July 1, 2015 through June 30, 2016. The funds being requested are consistent with the 2015 budget approved by the Board. The External Auditors will report on the Authority's financial statements and accompanying notes, as well as internal controls and compliance in accordance with Government Auditing Standards and OMB Circular A-133. At the Audit Committee's next meeting, the Auditors will report their findings and based on the Committee's recommendation, the 2014 Comprehensive Annual Report including the audited financial statements will be forwarded to the Board for their review in April.

Jonathan Lowy dialed in at 7:14p.m., due to a previous meeting.

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

Tom Mahedy of Wall Township stated that the public should be more involved and have oversight of the Historic Preservation Guidelines. Mr. Mahedy asserted that non-for profit organizations expressed interest in the historical buildings and they were not permitted to tour the buildings, but could put in a proposal based on a drive by bus tour, while corporations were given the red carpet treatment. Mr. Mahedy asserted that there is no transparency or truth to the redevelopment.

VII. EXECUTIVE DIRECTOR'S REPORT

Rick Harrison, Director of Facilities Planning stated that 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 (EDC) application on July 1, 2014, and it is currently under review by the Army. A draft Phase 2 MOA is currently under review by staff and the Army. The Army has provided a draft Finding of Suitability to Transfer (FOST), an environmental review required before transfer, and it is currently under review by staff and the NJ Department of Environmental Protection (NJDEP). FMERA has had frequent internal meetings and conference calls with our Special BRAC Counsel to discuss comments for the Army on the FOST and the MOA as well as weekly conference calls with the Army to discuss progress. FMERA's goal is to seek approval from the Board to execute the Phase 2 MOA with the Army this summer.

Mr. Harrison gave the following summary of the status of RFPs and contracts that FMERA has issued:

Auctioneer

There was a presentation and a handout at February's Board meeting regarding the results of the 5 auctions held to date. Additional auctions of Phase 1 property will start up next month. The auctioneer's staff are busy cataloging and staging the items and buildings for the next auctions. FMERA staff is also beginning to plan for auctions of Phase 2 items once the Phase 2 property transfers. A public, community-focused, small-lot auction is planned for the fall.

Utilities

FMERA continues to plan upgrades to utility systems and is working with the public utilities and our subcontractors to ensure required utilities are safe and operational. FMERA expects to execute an agreement with JCP&L within the next couple of weeks to take-over the CWA substation and distribution system. FMERA is also in the process of transferring the CWA sanitary sewer meter to Tinton Falls and lastly, FMERA is starting to plan and engineer new water mains for the main post.

Suneagles

Promised improvements to the course are well along as the operator prepares for the golf season. FMERA approved new fees that will go up slightly this coming season – the average increase is \$2.00. FMERA continues to address significant maintenance issues at Gibbs Hall.

Property Management/Maintenance

Our property management/maintenance team, Chenega Operations Services, has been quite busy keeping our property presentable and secure, for both marketing purposes and keeping employees and tenants safe and comfortable. The cold, snowy winter has been, and unfortunately continues to be, challenging and is keeping the team busy repairing leaks, frozen pipes, boilers and plowing.

Marina

The Marina operator and potential purchaser have had two meetings and exchanged correspondence with the NJDEP on the Notice of Violation that was reported on at the last meeting. They have engaged an environmental engineer and law firm knowledgeable with these issues who have participated in these meetings and correspondence. They are moving expeditiously to resolve the issues and hope to open for business this spring. Two of the three violations relate to existing conditions which we are working with the Army on. The remaining violation requires that the marina operator submit a CAFRA Application regarding the construction which enclosed the outside deck area. The application is in progress and should be submitted by the end of the month. The operator, FMERA, the NJDEP and the Army are working cooperatively and hope to have the violations resolved expeditiously so that the marina can open this spring.

Dave Nuse, Director of Real Estate Development stated that FMERA has increased its activity level in 2015, with 9 Requests for Offers to Purchase currently open.

In Tinton Falls, FMERA has 3 RFOTPs currently posted on our website. They include:

- Building 2525, an 86,000 sf office building completely renovated in 1999, with a due date of March 30th;
- Parcel F-3, the 3.5 acre gas station and convenience store site on Hope Road, with a due date of April 7th;
- and the former Child Development Center, a 20,000 sf facility built in 1996 that's suitable for day care, preschool or office use. That RFOTP is due April 27th.

FMERA currently has proposals for three Tinton Falls properties: the Satellite Drive Parcel, a 1.5 acre building lot zoned for office, research or institutional use; the Charles Wood Fire Station; and Parcel F-2, the proposed Veterans Housing site. FMERA did not receive any responses on Parcel F-1, the site including the Myer Center and the Night Vision Lab.

FMERA currently is in negotiations with prospective redevelopers on four other parcels in Tinton Falls:

- Parcel C, a mixed use town center project consisting of 243 units of housing and approximately 50,000 sf of retail space, and Parcel C1, comprised of 45 single family homes, both in exclusive negotiations with Lennar Corporation through the end of this month;
- Fabrication Shops, 45,000 sf of light industrial and flex space, where we're in negotiations with Pinebrook Commerce Center LLC;
- The Pistol Range, where the Board has selected Kiely Realty LLC as purchaser.

In Eatontown, FMERA has 2 open RFOTPs on our website,

- Howard Commons site on Pinebrook Road, zoned for 275 townhouses and up to 15,000 sf of retail space, with a due date of April 6th;
- The expanded Parcel B, the mixed-use town center property fronting Route 35, calling for up to 250,000 sf of retail space and 302 housing units on about 77 acres, with proposals due on May 21st.

FMERA also plans to issue an RFOTP later this year for Suneagles Golf Course, which includes a 10-acre section zoned for construction of a new hotel/conference center.

In Oceanport, FMERA has 4 open RFOTPs listed on our website, for:

- Russel Hall, the 40,000 sf former Garrison Headquarters building, with a due date of April 13th;
- Main Post Chapel, a 16,000 sf facility that includes a 600-seat sanctuary, with proposals due April 20th;
- Nurses Quarters, a 24-unit residential complex on Main Street adjacent to the former Patterson Army Hospital, due May 11th;
- And the 16,000 sf former recreation building on Brewer Avenue known as the Dance Hall, which is projected for commercial reuse; due June 10th.

In addition, FMERA is currently in negotiations on 3 parcels in Oceanport:

- the Officer Housing Parcel, consisting of 117 historic housing units;
- the Fitness Center;
- and the Marina.

The public is encouraged to visit our website, www.fortmonmouthredevelopment.com, for more information and to obtain copies of our RFOTPs. Thank you.

Marketing Update

Candice Valente, Communication and Planning Officer stated that FMERA continues to work with our marketing consultant, Weblinx, Inc., on the refinement of the FMERA brand and the redesign of our website. FMERA is on target to launch our newly designed website before next month's meeting of the Board. FMERA also continues to work with Cushman & Wakefield to market the Fort property. FMERA and Cushman conduct, on average, a half dozen tours per week. Cushman has updated their marketing flyers and created new flyers for the Chapel, Dance Hall, Child Development Center and Nurses Quarters. In addition, Cushman and FMERA will be co-hosting a pre-proposal conference for Parcel B on March 24th.

Please be sure to take a copy of the two press releases available at the door today, one issued by the NJEDA and the other to be issued by Cushman's Communications team on March 19th, both highlighting FMERA's latest RFOTPs. FMERA encourages members of the public to sign up for our monthly digital newsletters on our website or by emailing FMERAinfo@njeda.com.

Bruce Steadman gave an update on the Action Items for Next Month.

- Continued work with the NJDEP 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
- Continued ongoing meetings with NJNG, TRWRA, JCP&L and NJ American Water.
- Continued meetings with the DAGs and their continued support with several projects.

Mr. Steadman announced with mixed emotions the retirement of Beverlee Akerblom, as FMERA's Director of Finance and Administration. Beverlee has been a tireless and committed member of the FMERPA and FMERA teams and did a great job establishing a relationship with the Office of Economic Adjustment (OEA), and the Army. Beverlee was very well respected within the BRAC circles and established the solid foundation for FMERA's excellent financial reputation. Mr. Steadman wished Beverlee well in the next chapter in life.

Lillian Burry stated that she has worked with Beverlee since FMERPA and found her to be nothing but highly professional and very dependable and a person you could feel very comfortable with knowing she was doing a good job. Ms. Burry wished Beverlee the very best in the next chapter of her life.

Lillian Burry asked if there will be a ribbon cutting for AcuteCare. Mr. Steadman stated that AcuteCare will be having a more formal event sometime in the Spring, and staff would alert the Board as to when.

VIII. COMMITTEE REPORTS

a) AUDIT COMMITTEE (ROBERT ADES, CHAIRMAN):

Robert Ades stated that the Committee did not meet this month.

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

Chairman Gorman stated that the Committee met on February 10th and discussed the following:

- Discussion regarding an ongoing monitoring mechanism of the open space inventory currently in preparation by Phillips Preiss Grygiel (PPG). Staff will provide the Committee with periodic inventory of the open space at the Fort and the Reuse Plan's requirement for open space. Staff's presentation was approved by the Committee and management procedures will be discussed at the April meeting.
- Discussion regarding Parcel C and C1 with Lennar Corporation. Lennar has asked to reduce the bid price due to the increased costs associated with prevailing wage requirements. Staff was advised to

discuss Lennar's new proposal with the Army, which will receive the majority of the sales proceeds. Staff will update the Committee on the discussions with the Army at the April meeting.

- Discussion regarding modification to the Sales Regulations to address the length of the exclusive negotiations period. Discussion regarding the Leasing Regulations that could address the difficulty to secure leases quickly for businesses that require more flexibility. The AG's office was requested to provide guidance at the April meeting.
- Update on the progress with the Army regarding the Phase 2 MOA. The MOA draft has turned over to the Army Corps of Engineers for their review.
- Update on the Marina
- Update on Parcel F-1
- Update on Parcel B
- Update on the Fitness Center
- Update on Officers Housing
- Update on the 8 open RFOTPs

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

Kenneth J. Kloo stated that the Committee met on March 9th and discussed the following:

- FMERA staff opened the meeting with summaries for a small sample of outstanding issues to be resolved by the Army prior to FMERA's acquisition of the Phase 2 parcels. These issues will not be carve-outs, but must be addressed prior to closing with the Army. The Committee discussed these issues, and the DEP Case Manager provided input as to the current status of these items.
- FMERA staff provided a summary of potentially remaining underground heating oil tanks, both residential and non-residential. The DEP Case Manager noted these tanks have been part of an ongoing discussion with the Army. Committee members discussed strategies for identifying the remaining tanks and FMERA's options for creating an escrow account for any remediation of the possible tanks as part of ongoing Phase 2 negotiations with the Army.
- DEP representatives provided additional background information and an update on the U.S. Geological Survey (USGS) well located within the FTMM-5 landfill. Due to a lack of information on well construction, the location of the well in a former landfill, and the future security and development potential of the site, the USGS and DEP agree that the well should be sealed and abandoned. As owner of the well, the Army will be responsible for the well closure.
- FMERA staff provided a summary of DEP violations received by the operator of the Marina in Oceanport. Three violations were noted, including the requirement to submit a CAFRA permit application. The operator is currently in the process of submitting an application for the CAFRA permit and will work with the DEP to address all violations, 2 of which date back to Army ownership.
- FMERA staff updated the Committee on remediation planned by Conrail for its property along Main Street in Oceanport which provides a right-of-way for a high-power transmission line and high-pressure gas line. Conrail's current plan contemplates remediation to residential standards for that property, but remediation only to non-residential standards for a similar, adjacent parcel on the Fort. FMERA is working with the Deputy Attorney General's Office and Conrail to determine if all remediation can be performed to meet residential standards, as the surrounding property is planned for future residential development in FMERA's Reuse and Redevelopment Plan.
- The Committee chair encouraged Committee members to bring questions or concerns on environmental matters at the Fort directly to him or the DEP Case Manager. He reminded members that as representatives of their municipality or business sector, they are responsible for ensuring that, to the best of their ability, any public statements or postings on social media relative to Fort Monmouth and FMERA are true and accurate.

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

Robert Ades stated that the Committee met on March 4th and discussed the following:

- Discussion and review of the Historic Preservation Design Guidelines. The Committee reviewed the changes and edits that were discussed with PPG from the previous Committee meeting. The Committee reached a consensus and agreed to present the Guidelines at tonight's meeting for approval of the Board.

Mr. Steadman stated that the guidelines process has been laid out in the FMERA Statute and the Programmatic Agreement that the Army signed with the State Historic Preservation office. Mr. Steadman stated that PPG drafted the guidelines based on their experience with historic structures, and that PPG did an extensive inventory with input from a broad range of individuals, including the developer of the Officers Housing, two Committee members who are architects, and one who was formerly with the State Historic Preservation office. Mr. Steadman stated that there was also input from the AG Office and a courtesy review from Oceanport's engineer.

Lillian Burry asked if the buildings within the historic area are part of a historic district and are they included in the national historic register. Mr. Steadman stated that the historic district has been mapped and has been nominated, to be added to the register and once nominated, it is considered to be part of the register.

Lillian Burry asked if there is a review committee that reviews the developer's plans. Mr. Steadman stated that the FMERA statute states that Historical Staff Advisory Committee (HSAC) serves as the Historic Commission. Mr. Steadman stated that FMERA completes a Mandatory Conceptual Review (MCR) which includes an environmental / open space review and a historic review before the Borough's technical review. The historic review is to confirm that the developer is consistent with the Historic Guidelines.

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

Gina Fischetti stated that the Committee met on March 11th and discussed the following:

- Discussion regarding the recent COAH decision and the determination to allow municipalities to proceed in the courts regarding affordable housing.
- Discussion regarding Officers Housing and a status update on RPM's development of the property. RPM has applied for HFMA funding. The Northern portion of the property will be 68 For Sale units and the Southern portion will be 48 rental units with 28 for affordable housing.
- 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. There have been changes to the RFOTP which will accept alternate proposals regarding the types of housing to be developed in response to input from Eatontown.
- Discussion regarding Permanent Supportive Housing.
- Discussion regarding Parcel B and the reissuance of the RFOTP. The RFOTP includes additional acreage for development. FMERA continues to market the property to prospective developers.
- Update on upcoming RFOTPs which include housing: the Nurses Quarters in Oceanport and Parcel F-2 (Veterans Housing) in Tinton Falls.

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

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

IX. BOARD ACTIONS

A) The first item before the consideration of approval of Historic Preservation Design Guidelines for the Fort Monmouth Historic Resources in the Boroughs of Eatontown and Oceanport, NJ.

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

A motion was made to approve by Robert Ades and was seconded by Tim Lizura.

Motion to Approve: ROBERT ADES Second: TIM LIZURA
AYes 9

Mayor Mahon asked if it would be appropriate at the final review for the Borough's Planning Board to adopt the guidelines. Gabriel Chacon stated that the review is completed by the HSAC and is then incorporated in the MCR which is then presented to the Local Planning Boards. Mr. Chacon stated that the guidelines by FMERA perspective do not have to be adopted by the Boroughs.

X. OTHER ITEMS

Robert Ades read a personal resolution which is attached hereto.

A motion was made to approve by Robert Ades and was seconded by Lillian Burry.

Lillian Burry asked if the resolution is dependent on the Governor's approval and was answered yes.

Robert Lucky asked what the downside would be or who might take action against the Board.

DAG Chacon recommended that the Board enter into Executive Session to discuss legal ramifications and to get legal advice.

A motion to enter into Executive Session was made by Tim Lizura and seconded by Michael Collins.

Motion to Enter into Exclusive Negotiations: TIM LIZURA Second: MICHAEL COLLINS
AYes 9

The Board adjourned the Public Session of the meeting and entered into Executive Session – OPMA Exemption N.J.S.A. 10:4-12b(5) and (7).

There being no further business in Executive Session, a motion was made to go back into public session by Robert Lucky seconded by Mayor Mahon and unanimously approved by all voting members present.

The Board returned to public session.

Chairman Gorman stated that the motion will be tabled until the next Board meeting pending further legal advice and review.

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

Bob English of Eatontown quoted the Cushman & Wakefield news release by stating "to date, 500 acres have been transferred to FMERA and nearly 1,000 jobs have been created as a result". Mr. English asked where are the 1,000 jobs created

Mr. English asked if the purchase price can be renegotiated by Lennar during the Exclusive Negotiations period.

Mr. English asked if a Hotel / Conference Center is still being proposed on the golf course, and if housing were proposed would the development count against Eatontown's affordable housing obligation.

Mr. English asked if there was a conflict for the Attorney General's office to advise FMERA and the State of New Jersey regarding the MOU for the Megill Housing to the Department of Human Services. Mr. English stated that it would have been beneficial to have hired non-conflicting outside council.

Mr. Mahedy asserted that when he was a member of the ESAC he was forced to sign a confidential agreement or he would be sued or forced off the Committee. Mr. Mahedy asserted that the Veteran Housing is being developed on contaminated industrial area. Mr. Mahedy asserted that the clinic should have been given to Veterans as there were political ties to AcuteCare.

Dave Nuse answered Mr. English by stating that the 1,000 jobs created are attributable to CommVault and AcuteCare and the 1,000 jobs are a mix of job attraction and job creation.

Mr. Steadman answered Mr. English by stating that there are gating mechanisms for the redevelopment, including the RFOTP process and the due diligence of FMERA and the developer. Upon Lennar completing the due diligence they advised FMERA that they would not be profitable due to the prevailing wage requirement, therefore they asked for a price reduction which they may do in the Exclusive Negotiations Period. However, FMERA does not have to agree to such requests.

Dave Nuse answered Mr. English by stating that there has been interest for a Hotel / Conference Center on the golf course. Mr. Nuse stated that if Eatontown's 577 housing units are utilized for Parcel B and Howard Commons that would rule out housing on the golf course, unless the FMERA Board and the Borough supported housing on that site.

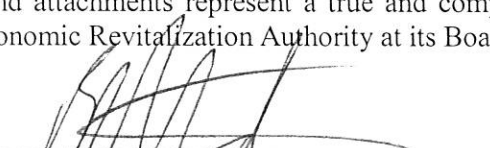
Mr. Steadman stated that if proposals are received for the golf course that do not include or are not acceptable for hotel or conference, then there may be a reissuance of the RFOTP to determine what the market indicates for golf course housing or other use.

Mr. Steadman answered Mr. English by stating that FMERA consulted with the Attorney General's office for counsel on the type of agreement to be approved with the Department of Human Services and that the AG office was only acting on FMERA's behalf.

Mr. Steadman stated that there was nothing fraudulent regarding the auctions and that the auction process has been discussed at previous meetings. Mr. Steadman stated that when the makeup of the Advisory Committees was re-established 3 years ago, the Committees were formed with the best cross section of people with experience and firsthand knowledge of each of the categorical sections of the Committees of which Mr. Mahedy did not have the necessary experience and credentials.

There being no further business, on a motion by Robert Ades seconded by Gerald Turning and unanimously approved by all voting members present, the meeting was adjourned at 8:45p.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 18, 2015

Resolution Regarding
Approval of Historic Preservation Design Guidelines for the Fort Monmouth Historic Resources in the Boroughs of Eatontown and Oceanport, NJ

WHEREAS, on June 2013, the Fort Monmouth Economic Revitalization Authority (FMERA) adopted land use regulations and development and design guidelines consistent with and in furtherance of the Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan); and

WHEREAS, the FMERA Act and Land Use Rules state that the Historic Preservation Advisory Committee (Committee) shall be the exclusive historic preservation commission for all land use matters and approvals within Fort Monmouth; and

WHEREAS, the Committee is tasked with reviewing the applications for Mandatory Conceptual Review (MCR) and building permits for historic properties as listed in the Programmatic Agreement between the U.S. Army and the New Jersey State Historic Preservation Officer; and

WHEREAS, FMERA staff worked with the contract planners, Phillips Preiss Grygiel (PPG), to draft historic preservation design guidelines to assist the Committee; and

WHEREAS, the proposed guidelines include the buildings deemed contributing in the National Register of Historic Places nomination for the Fort Monmouth Historic District in Oceanport; and

WHEREAS, the proposed guidelines will thus assist staff in its MCR review of any building and historic resource in both the Programmatic Agreement and the National Register of Historic Places nomination and will serve as a resource for property owners, architects, designers, builders, and developers; and

WHEREAS, the Committee has reviewed and discussed the Historic Preservation Design Guidelines for the Fort Monmouth Historic Resources in the Boroughs of Eatontown and Oceanport, NJ, and the Committee recommends Board approval.

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached memorandum, the Authority approves the Historic Preservation Design Guidelines for the Fort Monmouth Historic Resources in the Boroughs of Eatontown and Oceanport, NJ.

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: March 18, 2015

EXHIBIT 1

Resolution Regarding
Clarification of the Prevailing Wage Rate Clause C.52:27I-31 in the Act
establishing the Fort Monmouth Economic Revitalization Authority (FMERA)

WHEREAS, the mission of FMERA is a coordinated and comprehensive economic revitalization of Fort Monmouth.

WHEREAS, the Board of FMERA is the ultimate authority in all matters.

WHEREAS, N.J. Public policy as stated in 34:11-56.25 states:
"It is declared to be the public policy of this State to establish a prevailing wage level for workmen engaged in public works in order to....."

WHEREAS, Prevailing Wage is defined at *N.J.S.A. 34:11-56.26* as applying only to when to public work to be done on a property or premises owned by a public body or leased or to be leased by a public body.

THEREFORE, BE IT RESOLVED THAT:

1. The FMERA staff is directed to insert a statement in every appropriate RFOTP and other documents that prevailing wages are not applicable to non-public companies in that request.
2. This resolution shall take place immediately, but no action authorized herein shall have full 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 10, 2015



DISCOVER › INNOVATE › TRANSFORM

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

DATE: April 15, 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 Comprehensive Annual Report; Update on Meetings with Army Representatives; Update on Requests for Proposals (RFPs) and Other Contracts; Update on Requests for Offers to Purchase (RFOTPs); Update on Marketing Effort; and Action Items for Next Month.

Treasurer's Report

1. 2014 Comprehensive Annual Report of the Authority
The Authority's independent accounting firm completed the 2014 audit, and will report their findings to the Audit Committee at the April 13, 2015 meeting of the Committee. The auditors issued an unmodified opinion with regard to the Authority's 2014 financial statements which is their highest opinion. At the meeting, FMERA staff will present the Authority's Annual Report to the Committee, including a financial and operational review of the year. The Annual Report and the audited financial statements serve as FMERA's comprehensive annual report to meet the requirements of Executive Order No. 37 (2006). Subject to the Audit Committee's recommendation, the 2014 Comprehensive Annual Report including the audited financial statements will be presented to the Board for their approval at the April 15, 2015 Board meeting.

Executive Director's Report

1. Update on Meetings with Army Representatives
FMERA and the Army have been holding discussions on the future transfer of the balance of the Main Post since March 2014, when the terms of the Phase 2 purchase were finalized, 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 Army has provided a draft Finding of Suitability to Transfer (FOST), an environmental review required before transfer, and it is currently under review by staff. Due to ongoing review of both the FOST and the MOA, our goal now is to seek approval from the Board to execute the Phase 2 MOA with the Army before summer 2015.

2. Update on RFPs and Contracts

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

Auctioneer

There was a presentation and a handout at February's Board meeting regarding the results of the 5 auctions held to date. The total sales resulting from the 5 auctions was \$855,776. FMERA's net proceeds are \$382,571. Preparations for additional auctions of Phase 1 property have started this month. The next auction of materials from the Pulse Power building and fire training facilities in Tinton Falls is planned for April 21, 2015. This auction will be followed by auctions at Buildings 2704, 2705, 2718, 2539 and 2540 in the near future. More information on the auction and inventory is available at <http://www.theauctioneersgroup.com/>. Staff is also beginning preparations for auctions of Phase 2 items in the summer of 2015. A public, community-focused, small-lot auction will be planned for the fall.

Utilities

We are continuing to plan for "just-in-time" upgrades to utility systems and working with the public utilities and our subcontractors to ensure required utilities are safe and operational. Staff and the Borough of Oceanport Engineer, under a reimbursement agreement between FMERA and the Borough, will be designing and applying for water main extensions from NJ American Water to service the Main Post as development comes on-line. An agreement is imminent with Jersey Central Power & Light to operate and maintain our Charles Wood Area power system. We continue to study and plan for sanitary sewer upgrades with Tinton Falls, the Eatontown Sewerage Authority, and Two Rivers Water Reclamation Authority.

Suneagles

Promised improvements to the course are well along as the operator prepares for the golf season. We approved new fees that will go up slightly this coming season – the average increase is \$2.00. We continue to address significant maintenance issues at Gibbs Hall. The 2015 golfing season promises to be a good one.

Property Management/Maintenance

Our property management/maintenance team, Chenega Operations Services, has been quite busy keeping our property presentable and secure, for both marketing purposes and keeping our employees and tenants safe and comfortable. The cold, snowy winter was challenging and kept the team busy repairing leaks, frozen pipes, boilers and plowing.

3. Update on RFOTPs

The following is a summary of the status of the RFOTPs issued in the Oceanport Reuse Area:

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 extensions to the exclusive negotiations period through April 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. At tonight's meeting, staff will present a recommendation to approve a Purchase and Sale Agreement and Redevelopment Agreement (PSARA) with RPM for the property.

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 operator has met with the NJ DEP's Bureau of Coastal Land Use and Compliance to address a notice of 3 violations. Two of the violations are not related to any action or construction by the operator and the operator believes the Army and NJ DEP will reach a resolution. The remaining violation requires the operator to submit a CAFRA Permit Application for construction along the existing open deck, which is forthcoming. The operator expects these issues to be resolved and the boat house to open this spring.

Russel Hall

Russel Hall is a 42,300 sf, four-story administration building located on Sanger Avenue in the Oceanport Reuse Area of the Fort. 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. FMERA staff issued an initial RFOTP for Russel Hall in September 2013, with proposals due in November 2013. 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 a total of 75 days. 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. 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. On February 13, 2015 FMERA issued an RFOTP for Russel Hall that includes a 4.6 acre parcel of land and excludes the former heliport. Proposals are due April 13, 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.

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 600-seat chapel, an administrative wing, a classroom wing, and a kitchen. 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. 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 were no compliant proposals, FMERA proceeded to issue a second RFOTP on February 20, 2015 in accordance with the Authority's Sales Rules. Proposals are due on April 20, 2015.

Dance Hall

On March 13, 2015, FMERA issued an RFOTP for Building 552, the former recreation center in Oceanport referred to as the Dance Hall. Located on an approximately 4.2 acre parcel, the 16,420 gsf former recreation center was constructed circa-1941, and is adjacent to the Fort's Historic District. 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. Although the Reuse Plan contemplates demolition of Building 552, the unique design features of the building and its central location near the planned tech center at the McAfee building, the renovated Officer

Housing and Fitness Center, and the Main Post Chapel, lead FMERA staff to believe that the property has great potential for reuse as a restaurant, café, coffee house, microbrewery, gallery and/or performance space, serving small entertainment and recreation uses as it once did when the Fort was in operation. Green space could be maintained in the adjacent park space, which includes two memorials. Although permitted uses include office/research, institutional/civic or open space/recreation, FMERA will review offers that propose alternative uses. Proposals are due on June 10, 2015.

Nurses' Quarters

On March 13, 2015, FMERA issued an RFOTP for the Nurses' Quarters in Oceanport, Buildings 1077 and 1078, located on an approximately 3.75 acre parcel along Main Street and Stephenson Avenue. Built in 1962, the buildings contain 24 one- and two-bedroom units that were formerly used as apartments for Army nurses. 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. The Reuse Plan contemplates the reuse of the buildings as mixed-income apartments, but FMERA will review offers that propose alternate uses. Proposals are due on May 11, 2015.

The following is a summary of the status of the RFOTPs issued in the Eatontown Reuse Area:

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 PSARA for Howard Commons with HovWest Land Acquisition, LLC (HovWest). The Authority and HovWest executed the PSARA effective as of May 19, 2014. HovWest exercised its right under the PSARA to withdraw from the project, noting 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. **The response date for the new RFOTP has been extended to April 20, 2015.**

Parcel B

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. At the January 2015 meeting, the Board authorized staff to add 12 acres to Parcel B and issue a new RFOTP, 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. Additionally, the new RFOTP will add another 12 acres including Mallette Hall as an optional component. On February 20, 2015 FMERA issued the RFOTP for the expanded Parcel B. Proposals are due on May 21, 2015.

The following is a summary of the status of the RFOTPs issued in the Tinton Falls Reuse Area:

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 fabrication 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. The Board approved extensions of the exclusive negotiations period with PCC through April 2015, due to delays in negotiating an acceptable access plan for this section of the Charles Wood Area. At tonight's meeting, staff will present a recommendation to approve a PSARA with PCC for the former fabrication shops.

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 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. The Authority has approved extensions to the exclusive negotiations period through March 2015.

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 2014 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 were due on March 13, 2015. FMERA has set \$650,000 as the minimum bid amount for the Parcel. One compliant proposal was received and an evaluation team has begun its review of the proposal.

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.

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. FMERA staff is currently negotiating with the higher ranked proposer.

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. An evaluation team has reviewed 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 allowed for either a proposal consistent with the Reuse Plan or an alternate commercial use, including but not limited to sports, entertainment, and/or hospitality uses. This could include the demolition of the two buildings. Proposals were due March 6, 2015 and no proposals were received. FMERA staff is considering the options for reissuing the RFOTP.

Parcel F-3

On February 6, 2015, FMERA issued an RFOTP for a 3.5 acre parcel in the Tinton Falls Reuse Area, containing Building 2567, a 1,335 square foot building constructed in 1970. The building formerly housed a shopette/gas station and the property includes an above ground fuel tank and fuel dispensing island. The Reuse Plan envisions reuse of the property as a gas station, but FMERA will also entertain proposals for other commercial uses or open space/recreational uses. Proposals were due on April 7, 2015 and one proposal was received.

Building 2525

On February 13, 2015, FMERA issued an RFOTP for Building 2525, on a 13.5 acre parcel in the Tinton Falls Reuse Area. Building 2525, an 86,400± square foot office building, was constructed in 1942 and renovated in 1999, and was formerly used as administrative space by the Army. In addition to office/administrative/technology uses, FMERA indicated that it would accept proposals for other uses, excluding residential uses. Proposals were due on March 30, 2015 and one proposal was received.

Child Development Center

On February 27, 2015, FMERA issued an RFOTP for Building 2290, the former Child Development Center (CDC), on a 7.4 acre parcel in Tinton Falls adjacent to CommVault's new world headquarters. Built in 1996, the CDC is a 19,600± square foot former daycare center, containing classrooms and a kitchen facility. The Reuse Plan contemplates reuse of the building as a child care/school facility, and permitted uses include institutional/civic and open space/recreation, although FMERA will review proposals for other uses. Proposals are due on April 27, 2015.

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. Weblinx is working with the EDA's ITS team to launch our newly designed website, which is expected to go live this week.

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. Cushman has updated their marketing flyers and created new flyers for the parcels currently out for proposals. These flyers are distributed by

Cushman to real estate brokers and prospects through email blasts, with a new message or property featured weekly. The level of interest in the Fort property remains high.

Please refer to our website, [www.fortmonmouthredevelopment](http://www.fortmonmouthredevelopment.com), for more information.

5. Action Items for Next Month.

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



Approved By: Bruce Steadman

Prepared by: Candice Valente

**ADOPTED
April 15, 2015**

Resolution Regarding
**Approval of Fort Monmouth Economic Revitalization Authority 2014 Comprehensive
Annual Report**

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

WHEREAS, the Authority selected its independent auditors, Clifton Larson Allen, LLP, pursuant to Executive Order No. 122 (McGreevey); and

WHEREAS, the Authority's independent auditors audited and accepted the Authority's financial statements for January 1, 2014 to December 31, 2014, and issued an unmodified opinion regarding the financial statements; and

WHEREAS, pursuant to Executive Order No. 122 (McGreevey), the Audit Committee reviewed the draft Comprehensive Annual Report for January 1, 2014 to December 31, 2014 and recommends presenting the Members with the Annual Report; and

WHEREAS, pursuant to Executive Order No. 37 (Corzine) the Authority is required to submit its Comprehensive Annual Report for review from its Members.

THEREFORE, BE IT RESOLVED THAT:

1. The Members of the Authority approve the Authority's 2014 Comprehensive Annual Report and approve submitting the Report to the Governor's Authorities Unit and the Federal Audit Clearinghouse and posting it on the Authority's website.

2. The Executive Director and/or any individual authorized to execute documents pursuant to the Operating Authority is authorized to do and perform all acts necessary to effectuate the above.

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: April 15, 2015

EXHIBIT 1

MEMORANDUM

TO: Members of the Authority

FROM: Bruce Steadman
Executive Director

RE: 2014 Comprehensive Annual Report

DATE: April 15, 2015

Request

The Members of the Board are asked to consider approving the Authority's comprehensive annual report for 2014, as required under Executive Order No. 37 (2006).

Background

The Authority distributes the Annual Report of accomplishments and activities in support of the revitalization and redevelopment of Fort Monmouth. To meet the requirements of Executive Order No. 37 (2006), the Annual Report is combined with the audited financial statements and serves as FMERA's "comprehensive annual report" for 2014.

The audited financial statements for the year ended December 31, 2014 were prepared pursuant to Generally Accepted Accounting Principles for a government entity. The financial statements include information for Operational and Economic Development Conveyance activities. The independent accounting firm of Clifton Larson Allen LLP has issued an unmodified opinion with regard to the 2014 financial statements.

The certification and accompanying financial statements has been executed by the Executive Director and the Senior Finance Officer confirming that the Authority has followed its standards, procedures and internal controls.

On April 13, 2015, per its Charter, as well as section 9 of Executive Order 122 (2004), the Audit Committee reviewed the draft comprehensive annual report, including the 2014 audited financial statements prior to release and considered the relevancy, accuracy and completeness of the information presented. Also pursuant to Executive Order 122 (2004), the independent auditor met with the Audit Committee, where it was reported that the financial audit did not result in any findings of significant deficiencies or material weaknesses. With regard to the prior year's

material weakness in internal control due to lack of segregation of duties, the auditors reported that the Authority has implemented policies and procedures in place and their testing did not reveal any findings. Subsequent to the meeting and its review of the report, the Committee recommended that the report be presented to the Board for approval.

Under Executive Order No. 37 (2006), the Authority is required to obtain approval of a comprehensive annual report from its Board of Directors. Upon approval, this report will be submitted to the Authorities' Unit and the Federal Audit Clearinghouse, posted to the FMERA website, and transmitted electronically to members of the Legislature.

Recommendation

The comprehensive annual report for 2014 as required under Executive Order No. 37 (2006) is presented for the Members to consider for approving in order to submit the report to the Governor's Authorities' Unit and the Federal Audit Clearinghouse, post to the Authority's website, and transmit to the Legislature.



Bruce Steadman
Executive Director

ATTACHMENTS

Prepared by: Jennifer Lepore

ADOPTED
April 15, 2015

Resolution Regarding
**Consideration of Authorization for FMERA Staff to Execute a Lease with the Army for the
900 Area and Enter into Sublease with the Oceanport Department of Public Works**

WHEREAS, the Oceanport Department of Public Works (OPDPW) has been operating under inhospitable conditions in their current facility since Superstorm Sandy struck; and

WHEREAS, Buildings 900, 914, 915, 916 and 917 (the 900 Area) and associated parking, are located on an approximately 3 acre parcel in the Oceanport Reuse Area

WHEREAS, FMERA staff has proposed that the Army lease the 900 Area to FMERA for a term of one year, with an option for an additional six month extension at the discretion of FMERA; and

WHEREAS, a sublease of the property to OPDPW will allow for renovations and the occupation of the 900 Area on an interim basis while the Borough arranges for a permanent location, and renovation costs will be offset by Federal Emergency Management Agency assistance; and

WHEREAS, the sublease will be consistent with the lease from the Army, and will not commit FMERA to any renewals beyond the stated term, nor will it commit FMERA to dispose of the property upon sublease expiration to the Borough or any other party; and

WHEREAS, the Borough will insure the property for liability, fire and extended coverage and indemnify and hold FMERA harmless against all claims, and the consideration for the sublease is the operation and maintenance of the property by the Borough, including all utility costs; and

WHEREAS, the Army issued a Draft Finding of Suitability to Lease for the property in January 2015 and the Authority will lease the property through the Army's standard form of short-term lease and sublease the property to the Borough using FMERA's standard form of sublease, with final terms subject to the approval of the Executive Director and the Attorney General's Office; and

WHEREAS, the Real Estate Committee recommends that the Board of Directors authorize FMERA staff to enter into the lease and sublease of the 900 Area.

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached memorandum, the Authority authorizes FMERA staff to execute a lease with the Army for the 900 Area and to enter into a

sublease with the Oceanport Department of Public Works, subject to review by the Attorney General's Office.

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: April 15, 2015

EXHIBIT 2

MEMORANDUM

TO: Members of the Authority

FROM: Bruce Steadman
Executive Director

RE: Approval of Lease and Sublease of the Buildings 900, 916, and 917 ("The 900 Area") to the Borough of Oceanport

DATE: April 15, 2015

Request

I am requesting that the Members of the Board approve the Authority's lease of an approximately 3 acre parcel and Buildings 900, 914, 915, 916, and 917 (The 900 Area), from the Army and our sublease of the property to the Borough of Oceanport (Borough) for use by the Oceanport Department of Public Works (OPDPW) upon substantially the same terms as FMERA's lease with the Army. The DPW will use the property as a public works facility which will house DPW vehicles and personnel from which they will provide public works, road and public property maintenance for the Borough, and ultimately portions of the Fort.

Background

Since Superstorm Sandy struck and severely damaged its current facility, the OPDPW has been operating under inhospitable conditions in their current facility. The lease and sublease of the Property will allow OPDPW to renovate and occupy the Property on an interim basis while the Borough arranges for a permanent location. The Borough anticipates that renovation costs will be offset by Federal Emergency Management Agency assistance.

Consistent with the proposed lease of the Property from the Army to the Authority, the Borough's sublease will run for a term of one (1) year, with an option for an additional six (6) month extension at the discretion of FMERA. The sublease will not commit FMERA to any renewals beyond the stated term, nor will it commit FMERA to dispose of the Property upon sublease expiration to the Borough or any other party. FMERA will sublease the Property to the Borough in as-is, where-is condition but subject to the Army's continuing obligations under CERCLA for pre-existing environmental conditions. Additionally, the Borough will insure the Property for liability, fire and extended coverage and indemnify and hold FMERA harmless against all claims. The consideration for the sublease is the operation and maintenance of the Property by the Borough, including utility costs.


The Army issued a Draft Finding of Suitability to Lease for the Property in January 2015, indicating that it meets federal and state environmental standards for the Borough's intended use.

The Authority will lease the Property through the Army's standard form of short-term lease, and sublease the Property to the Borough using FMERA's standard form of sublease. The final terms of the lease and sublease will be subject to the approval of the Executive Director and the Attorney General's Office.

The Real Estate Committee recommends that the Board authorize FMERA staff to enter into a lease with the Army for The 900 Area, and sublease The 900 Area to the OPDPW.

Recommendation

Staff requests that the Board approve the Authority's lease of The 900 Area through the Army's standard form of short-term lease and the sublease of the Property to the Borough of Oceanport via FMERA's standard form of sublease, which will reflect substantially the same terms and conditions as the Authority's proposed lease of the Property from the Army.



Bruce Steadman
Executive Director

Attachment: Parcel Map
Prepared by: Rick Harrison

ATTACHMENT
DRAWING OF LEASED PREMISES



ADOPTED
April 15, 2015

Resolution Regarding
**Authorization for FMERA to Enter into a Purchase and Sale Agreement and
Redevelopment Agreement with Pinebrook Road Commerce Center, LLC for Pinebrook
Commerce Center**

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, on September 20, 2013 FMERA issued and publically advertised a Request for Offers to Purchase (RFOTP) for Pinebrook Road Commerce Center, the former fabrication shops, with a response date of November 20, 2013; and

WHEREAS, the RFOTP included a 5 acre parcel with an option to acquire an additional 1.5 acre parcel of land for use as parking/storage in the Tinton Falls Reuse Area. The property is currently improved with eight buildings (2501-2504, 2506-2508, and 2625); and

WHEREAS, FMERA received proposals from three bidders, and Pinebrook Commerce Center, LLC (PCC) received the highest technical score and submitted the highest price proposal as well; and

WHEREAS, the Economic Development Conveyance (EDC) Agreement with the Army requires a floor price for the sale of the property and provides that the Army receives 63% of the net proceeds. All three proposals offered a price lower than the floor price, and the Army agreed in the Phase 2 Deal Points Letter to modify the EDC Agreement to allow the sale in exchange for the Army receiving all the net proceeds; and

WHEREAS, at the Authority's May 21, 2014 meeting, the Board authorized FMERA staff to enter into exclusive negotiations with PCC for a purchase agreement pursuant to the RFOTP for Pinebrook Road Commerce Center, per the Authority's Rules for the Sale of Real and Personal Property (Sales Rules); and

WHEREAS, by letter dated October 1, 2014, the Executive Director extended the exclusive negotiating period for an additional thirty (30) days as permitted by the Authority's Sales Rules; and

WHEREAS, the Board approved an initial sixty (60) day extension to the exclusive negotiations period at the November 2014 meeting, and a final sixty (60) day extension to the exclusive negotiations period at the February 2015 meeting; and

WHEREAS, the exclusive negotiations period has resulted in the attached Purchase and Sale Agreement and Redevelopment Agreement (PSARA); and

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

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the selection of Pinebrook Commerce Center, LLC (PCC) as the purchaser of the Pinebrook Road Commerce Center parcel in Tinton Falls pursuant to the September 20, 2013 Request for Offers to Purchase, on terms substantially consistent to those set forth in the attached memorandum and the attached Purchase and Sale Agreement and Redevelopment Agreement (PSARA) and with final terms acceptable to the Executive Director and the Attorney General's Office, and authorizes the Executive Director to execute the PSARA and take any necessary actions to effectuate the selection of PCC as the purchaser of the Pinebrook Road Commerce Center parcel.

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

Dated: April 15, 2015

EXHIBIT 4



DISCOVER › INNOVATE › TRANSFORM

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Purchase and Sale & Redevelopment Agreement with Pinebrook Commerce Center LLC for the Pinebrook Road Commerce Center (former Fabrication Shops)

DATE: April 15, 2015

Request

I am requesting that the Board authorize the execution of a Purchase and Sale & Redevelopment Agreement (PSARA) with Pinebrook Commerce Center LLC (PCC) for the Pinebrook Road Commerce Center (former fabrication shops) in the Tinton Falls Reuse Area.

Background

FMERA issued a Request for Offers to Purchase (RFOTP) in connection with the planned redevelopment of the former fabrication shops in the Charles Wood Area of Fort Monmouth on September 20, 2013. The property consists of 5 acres of land and eight (8) buildings: Buildings 2501, 2502, 2503, 2504, 2506, 2507, 2508 and 2625. The purchaser also had the option of acquiring an adjoining 1.5 acre parcel for use as truck/trailer parking/storage, making the total potential parcel size 6.5 acres.

The Fort Monmouth Reuse and Redevelopment Plan (the Reuse Plan) envisions that four of the buildings be retained for use as light industrial/fabrication/assembly facilities and the balance be demolished. The property is a Phase One property in FMERA's June 25, 2012 Economic Development Conveyance Agreement (EDC Agreement) with the Army. FMERA received title to all of the remaining Phase One properties from the Army by deed dated May 29, 2014.

One of the goals of the FMERA small business initiative is to attract a local developer/investor to purchase the former fabrication shops and create a multi-tenanted business park. FMERA's small business initiative is focused on attracting and enlisting small businesses to support the Authority's mission. This will help small businesses create jobs needed for the successful redevelopment of the Fort. Through the RFOTP, FMERA sought a purchaser who would market the Pinebrook Road Commerce Center to small businesses for at least six months after closing to achieve FMERA's small business attraction goal of establishing a multi-tenanted business park.

Proposals were due on November 20, 2013, with FMERA receiving proposals from three bidders. Three members of the FMERA staff, along with one representative from the Army, independently evaluated and scored the proposals. The evaluation team met on January 30, 2014 and unanimously agreed that the proposal submitted by PCC scored the highest of the three proposals received, while also offering the highest price proposal for the property. PCC proposed to also purchase the additional 1.5 acres, as did the other two proposers.

PCC's proposal achieves FMERA's small business goal of making the Pinebrook Road Commerce Center into a multi-tenanted business park. PCC also has a track record of success owning and operating similar properties in Long Branch and Port Monmouth, New Jersey. In addition, PCC expects to invest up to \$2.25 million into the property.

The EDC Agreement calls for the Army to receive 63% of the net proceeds from the sale of the Fabrication Shops, with FMERA receiving the remainder. All three proposers offered a price less than the Floor Price established by the Army and FMERA appraisals. In accordance with the Phase 2 Deal Points Letter, the EDC Agreement terms are being modified so that Army receives all of the proceeds in order to accommodate this transaction.

At the Authority's May 21, 2014 meeting, the Board authorized staff to enter into exclusive negotiations with PCC. Pursuant to the Sale Rules, PCC made an additional deposit of 10% of the proposed purchase price to be credited to PCC at closing and executed a letter agreement confirming that the forty-five day exclusive negotiations period commenced on August 18, 2014. By letter dated October 1, 2014, the Executive Director extended the exclusive negotiating period for an additional thirty days, as permitted by the Sale Rules, and the Board subsequently extended the exclusive negotiating period to December 29, 2014, and then through April 2015. Staff requested the extensions primarily to resolve issues relating to vehicular access and traffic circulation in the vicinity of the Property. Those issues have now been resolved.

Staff is pleased to report that negotiations with PCC have resulted in terms that it wishes to present for the Committee's consideration. PCC will pay \$658,182.40 for the property, reflecting the amount of its proposal adjusted for actual building size. Closing will occur within 30 days of satisfaction of the conditions precedent to closing, which include: PCC completing due diligence and obtaining all approvals necessary to develop the project; receipt of a final remediation document from either the New Jersey Department of Environmental Protection or purchaser's Licensed Site Remediation Professional; and consent from the New Jersey Economic Development Authority Board of PCC as redeveloper. The parties will endeavor to satisfy these contingencies within six months of execution of the PSARA. PCC will have the option of extending this time period for up to two additional six month periods if it has not obtained approvals within the initial six month timeframe. FMERA will convey the property to PCC in as-is condition, but with clear title and subject to the Army's on-going obligations under CERCLA to address any pre-existing contamination that may exist on the property.

The purchaser will install site improvements, make required exterior and interior base building improvements to all eight buildings, and bring two of the buildings, Building 2501 and 2504, to tenantable condition at an estimated cost of \$2,250,000. PCC's performance will be secured by a completion bond in that amount. Purchaser's site improvements will include the extension of a

water main to serve the Fabrication Shops and the Pistol Range, and installation of road improvements to connect Satellite Drive to a new loop road that will provide egress to Pearl Harbor Avenue. PCC will commence the site improvement and renovation work within nine months of closing and complete construction no later than 36 months of closing. The purchaser covenants to create a minimum of 96 new or relocated jobs at the property within four years of closing, or pay a penalty of up to \$144,000. This obligation will be secured by a promissory note granted by the principals of PCC. In the event that PCC does not commence or complete construction within the timeframes specified above, then FMERA may exercise a right to repurchase the project from PCC.

The fabrication shops, as well as the adjacent Pistol Range and Satellite Road parcels, do not front on a public road. In order to provide all three parcels adequate and safe vehicular access, FMERA will need to relocate and improve their shared driveway off of Pinebrook Road, and convey several uneconomic land remnants to the fabrication shops and Pistol Range purchasers, as shown on the attached map. FMERA has budgeted \$250,000 in the 2015 budget to fund these improvements and up to \$25,000 of the water main cost. A Reuse Plan amendment will be needed to reconfigure Satellite Drive and to confirm continued use of the four buildings that will not be demolished.

Based on the redevelopment provisions of the PSARA between FMERA and PCC, FMERA staff concludes that the essential elements of a redevelopment agreement between FMERA and PCC are sufficiently addressed and that it is not necessary for FMERA to enter into a separate redevelopment agreement with PCC for its development of the Fabrication Shops Parcel. The attached PSARA is in substantially final form. The final terms of the PSARA will be subject to the approval of FMERA's Executive Director and the Attorney General's Office

The Real Estate Committee has reviewed this transaction and recommended that the PSARA with PCC for the Pinebrook Road Commerce Center be forwarded to the Board for approval.

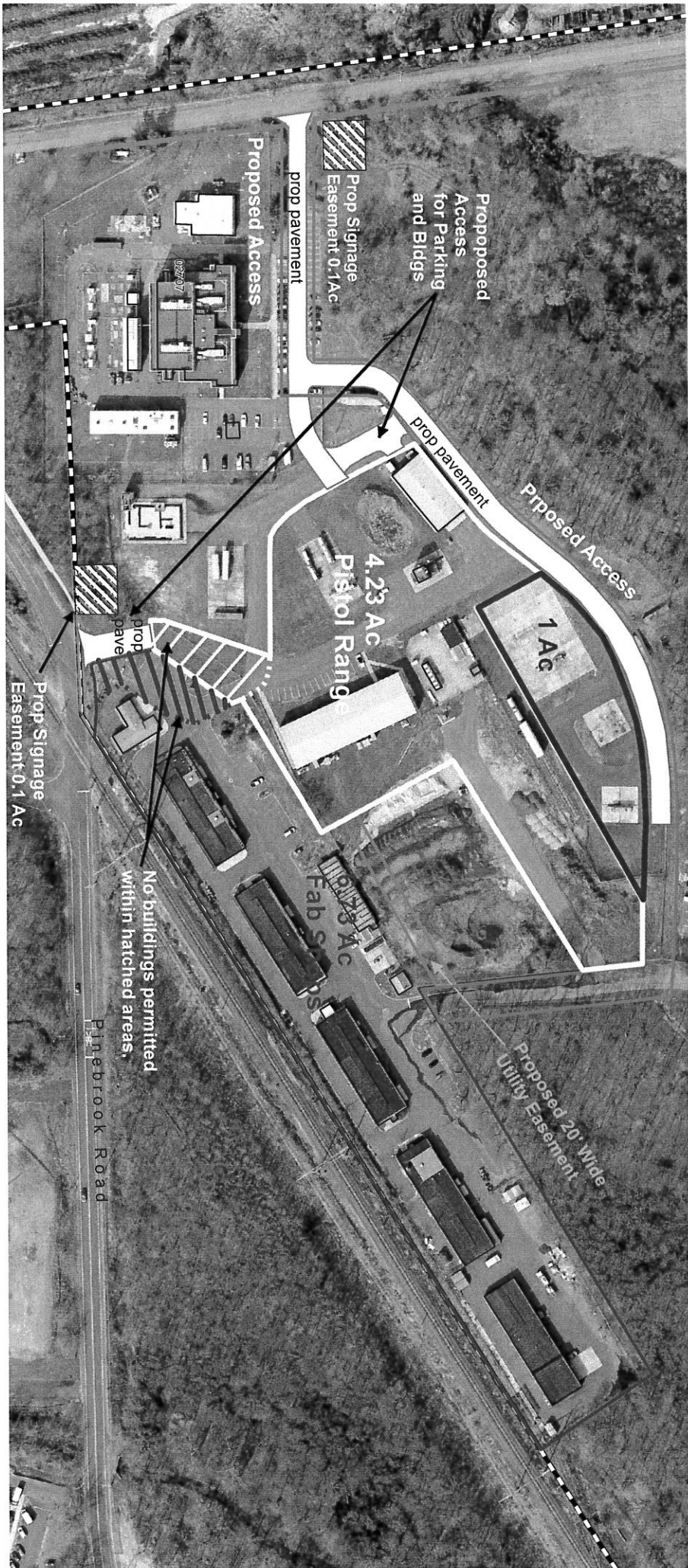
Recommendation

In summary, I am requesting that the Members of the Real Estate Committee recommend that the Board authorize the execution of a Purchase and Sale & Redevelopment Agreement with Pinebrook Commerce Center LLC (PCC) for the Pinebrook Road Commerce Center (former fabrication shops) in the Tinton Falls Reuse Area.



Bruce Steadman
Executive Director

Attachment: Purchase and Sale Agreement and Redevelopment Agreement
Parcel map
Prepared by: David E. Nuse



Proposed Access

prop pavement

Prop Signage Easement 0.1Ac

Proposed Access for Parking and Bldgs

prop pavement

Proposed Access

4.23 Ac Pistol Range

1 Ac

prop pave

Prop Signage Easement 0.1 Ac

No buildings permitted within hatched areas

Pinebrook Road

Fab Shop 3 Ac

Proposed 20' Wide Utility Easement

Prop Signage Easement 0.1Ac

Prop Signage Easement 0.1 Ac

Fab Shop 3 Ac

Prop Signage Easement 0.1Ac