

**Fort Monmouth Economic Revitalization Authority
Board Meeting
April 20, 2016
FMERA Offices, 502 Brewer Avenue, Oceanport, NJ**

MINUTES OF THE MEETING

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
- Jay Coffey, Mayor of Oceanport – V (via phone)
- Dennis Connelly, Mayor of Eatontown – V
- Donna Sullivan, Director of Real Estate, New Jersey Economic Development Authority (EDA) – V
- 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)
- Helene Rubin, Section Chief, Division of Statewide Planning, NJ Department of Transportation (DOT)
- 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

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 the 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 Chairman announced that the first item before the Board was to adjourn the Public Session of the meeting and enter into Executive Session – OPMA Exemption N.J.S.A. 10:4-12b(5) and (7):

The Chairman asked for a motion to go into executive session to discuss the pending real estate contract negotiations with the Army. The Secretary, Mr. Steadman, announced that the minutes for the Executive Session are not anticipated to become available to the public until the negotiations are concluded and FMERA determines that the need for confidentiality no longer exists.

A motion was made by Michael Collins and was seconded by Lillian Burry.

Mayor Coffey joined the Executive session via phone at 7:05p.m.

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).: Update on Real Estate and Contract Negotiations with the Army.

On a motion by Lillian Burry, seconded by Jay Coffey and unanimously approved by all voting members present, the Board adjourned the Executive Session at 7:15p.m. and opened the Public Session.

The next item of business was the approval of the March 16th meeting minutes. A motion was made to approve the minutes by Dennis Connelly and seconded by Robert Lucky.

Motion to Approve: DENNIS CONNELLY Second: ROBERT LUCKY
AYes: 8

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 proved to allow for public input and transparency in the conduct of the Authority's effort to implement the Reuse Plan. Mr. Gorman stated that the Board entered into Executive Session to discuss real estate and contract negotiations with the Army. Mr. Gorman stated that there are six board actions; 1) Consideration of Approval of Memorandum of Agreement (MOA) for Phase 2 Economic Development Conveyance and Amendment of Phase 1 MOA; 2) Consideration of Approval of the Authority's Comprehensive Annual Report for 2015, as Required by Executive Order No. 37; 3) Consideration of Approval of Transmittal to Host municipalities of proposed Plan Amendment #6 permitting alternative development scenario in Oceanport; 4) Consideration of Approval of Agreement for transfer of certain Charles Wood electrical facilities; 5) Consideration of Approval of the Amendment to the Purchase and Sale and Redevelopment Agreement for the Fitness Center parcel; and 6) Consideration of Approval of Memorandum of Understanding with the Borough of Eatontown for engineering services.

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. However, he announced that due to the lengthy agenda, both public comment periods would be limited to a maximum duration of 3 minutes per commenter. 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.

SECRETARY'S REPORT

Bruce Steadman stated that the Mayor Coffey will be participating by phone for the Executive Session and in the Public Session during the Board Actions.

TREASURER'S REPORT

Jennifer Lepore, Senior Finance Officer, stated that FMERA's independent auditor, Clifton Larson Allen, completed the 2015 audit, and reported their findings to the Audit Committee at the April 6th meeting. The auditors issued an unmodified opinion with regard to FMERA's financial statements, which is their highest opinion. The Annual Report and the audited financial statements serve as FMERA's Comprehensive Annual Report to meet the requirements of Executive Order No. 37 and the June 2012 Economic Development Conveyance agreement with the Army. Based on the Audit Committee's review, the Committee recommended the presentation of the 2015 Comprehensive Annual Report for Board approval at tonight's meeting.

PUBLIC COMMENT REGARDING BOARD ACTION ITEMS (3 minutes re: Agenda Items)

Tom Mahedy of Wall Township stated that he was opposed to the Board action regarding the Memorandum of Agreement with the Army because he believes it is a horrible deal for the taxpayers and the County because of the funding of the \$33.5MM. Mr. Mahedy asserted that the County will be taking the liability for the dumps on the Fort. Mr. Mahedy asserted that the Myer Center is a toxic building and that there will be contamination and a liability during the demolition of the building. Mr. Mahedy asserted that the Army should get 0% of the sale proceeds and the money should be given to the three host boroughs. Mr. Mahedy asserted that the Authority's auditors are connected and getting deals and therefore gave a clean audit to the Authority. Mr. Mahedy asserted that JCP&L is getting a deal to take over the electric in the Charles Wood area. Mr. Mahedy asserted that the \$1MM reduction in price for the Fitness Center is because they made a deal with the NJDEP regarding the wetlands. Mr. Mahedy asked why there would be a \$1MM reduction in price.

Mr. Steadman answered Mr. Mahedy by stating that the Fitness Center Board memo details the reasons for the reduction in price, which include costs related to the relocation of the buried concrete culvert water pipe, CAFRA permitting requirements, wetlands determinations, tidelands clearance, JCP&L subparcel acquisition and potential changes in the design and scope of the project due to these issues. These conditions were unknown at the time the RFOTP was initiated, and were discovered during the due diligence period.

EXECUTIVE DIRECTOR'S REPORT

Kara Kopach, Senior Development Officer, stated that immediately after the Phase 1 Memorandum of Agreement (MOA) was finalized in 2012, FMERA and the Army held discussions on the future transfer of the balance of the Main Post to be accomplished under a Phase 2 Memorandum of Agreement (MOA). Tonight, a draft MOA is in substantially final form and Staff will be seeking approval from the Board to execute the Phase 2 MOA with the Army.

The following is a summary of the status of RFP's and Contracts that FMERA has issued:

Auctioneer

- There has been no auction activity since November 10th.

Utilities

- FMERA continues to plan for upgrades to utility systems and is working with the public utilities contractors to ensure required utilities are safe and operational. There have been meetings with Two Rivers Water Reclamation Authority (TRWRA), and the three borough's engineers and officials.
- We are currently working with the Oceanport Engineer and New Jersey American Water (NJAW) on a proposal to submit a water main application to NJAW to accommodate the historic housing development, the fitness center, FMERA offices and additional pending building sales in the area surrounding the historic district.
- FMERA is also discussing roadways, public rights of way and easements with the three Boroughs.

Suneagles Golf Course

- The Golf Course operator continues to make improvements to the Course. Spring aeration took place 10 days ago and the irrigation system was turned on last week. Other repairs are currently underway and everything will be fully operational within the next week. With the spring season up on us, play has increased.

Property Management/Maintenance

- Our property management/maintenance team, Chenega Operations Services, is busy keeping our property presentable and secure. Preparation is underway for the HVAC cooling season, grass cutting season and prepping buildings for marketing and sale.

Marina

- The boating season is upon us and a number of slips have been rented. The operator is also reserving some slips for dock and dine. They continue to be open evenings, for weekend brunches and are looking to open for lunch next month.

Appraiser Request for Qualifications

- FMERA issued a Request for Qualifications (RFQ) for Real Estate Appraisal Services on March 17th. The responses were due on April 15, and 9 responses were received. Staff will be evaluating these for compliance and scoring.

Sublease of McAfee Center – Building 600

- FMERA issued a Request for Proposals to Lease (RFP) on January 6, 2016 for the sublease of Building 600, the McAfee Center. Proposals were due on February 5, 2016, and one proposal was received. Following review of that proposal by FMERA staff, the Real Estate Committee opted not to recommend approval of a sublease.

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 RFOTP and project activity:

In Oceanport, FMERA has executed contracts on 3 parcels:

- Officer Housing, consisting of 117 historic housing units, where RPM Development is the selected purchaser;
- Fitness Center, where FM Partners, LLC, is proposing to renovate and expand the facility;
- Russel Hall, the 40,000 square-foot former Garrison Headquarters building, to TetherView Property Management, LLC, a private cloud computing services company from New York.

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

- Nurses Quarters, a 24-unit residential complex on Main Street adjacent to the former Patterson Army Hospital;
- Dance Hall, the 16,000 square-foot recreation building on Brewer Avenue, which is projected for commercial reuse;
- Marina, currently approved for exclusive negotiations with AP Development Partners, LLC, and contemplated for a marina/public boat ramp and restaurant.

FMERA has received Board approval to issue RFOTPs for several other properties in Oceanport, including Squier Hall, Barker Circle, Allison Hall, the Main Post Chapel and the Lodging Area.

In Eatontown, FMERA is in negotiations for the sale and redevelopment of 2 properties:

- Howard Commons on Pinebrook Road, zoned for up to 275 homes and up to 15,000 square feet of retail space, where FMERA is in negotiations with the lead proposer;
- Parcel B, an expanded parcel including up to 89 acres for a mixed-use town center along Route 35 to include approximately 250,000 square feet of retail space and 302 housing units, where Fort Monmouth Parcel B Redevelopment, LLC, has been approved for exclusive negotiations.

FMERA has received Board approval to issue an RFOTP for 6 former barracks buildings on Semaphore Avenue, which are targeted for arts-related reuse. FMERA is also exploring options for the reissuance of an RFOTP for the Suneagles Golf Course.

In Tinton Falls, FMERA closed on two properties this year:

- Building 2525 sold to RADAR Properties in February, and will lease the building to Aaski Technology and other tenants for technology and office uses;
- Child Development Center sold to Trinity Hall in March, which will relocate the all girls high school to the site as their new home for the upcoming school year.

FMERA has executed contracts on another three projects:

- Parcels C and C1, with Lennar Corporation approved for 288 residential units over the two parcels, and up to 58,000 square feet of retail development;
- Fabrications Shops (Pinebrook Road Commerce Center), 45,000 square feet of light industrial and flex office space building along Pinebrook Road for sale to Pinebrook Commerce Center, LLC;
- Pistol Range and Satellite Road Parcel, under contract with Kiely Realty Group for the reuse and upgrades to the former Pistol Range, and additional office and commercial uses on the combined approximately 5 acre parcel.

FMERA has received Board approval to execute contracts with Monmouth County Park System for the Recreation Center and Swimming Pool, as well as Parcel F-3, the former gas station and convenience store along Hope Road.

FMERA has also received Board approval to issue RFOTPs for the Charles Wood Firehouse and Parcel F-2, the proposed Veterans Housing site, and will evaluate options for issuing an updated RFOTP for Parcel F-1, which includes the Myer Center.

Mr. Nuse 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 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 thanked the FMERA staff, the Board, the Governor's Authorities Unit, the Deputy Attorneys General, the EDA, and the NJDEP for all their work and efforts on the Memorandum of Agreement with the Army. Mr. Steadman also thanked the three Mayors and the Freeholder for the continued monthly (or more frequent) meetings with each of the Boroughs and the County regarding street maintenance, utilities, landscaping, safety, and other operational issues.

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 environmental issues of concern
- Continued meetings and tours with interested prospective employers and investors
- Continued meetings with Tinton Falls, Oceanport, Eatontown, and the County during the month regarding opportunities and their continued help on several projects.
- Continued collaboration with the NJEDA Trenton Office on marketing and business development opportunities.

COMMITTEE REPORTS

a) AUDIT COMMITTEE (ROBERT LUCKY, CHAIRMAN)

Robert Lucky stated that the Committee met on April 6th at discussed the following:

- Presentation by the Authority's auditor's Clifton, Larson, Allen ("CLA") detailing the Audit results for the year ending December 2015. The auditor's report includes an unmodified opinion for the Authority. This is the highest opinion that may be offered. The report detailed that there were no deficiencies over financial reporting, compliance, and other matters. The Committee reached a consensus and agreed to recommend to the Board approval of the comprehensive annual report for 2015.
- Discussion regarding the Authority adopting their own Procurement Policies and Procedures. The Authority currently adheres to the NJEDA Procurement Policies and Procedures and will continue to follow the NJEDA procedures, however adopt them as the Authority's policies in order to comply with new Federal regulations.
- Discussion regarding the contract extension of Clifton Larson Allen and agreement to extend the contract for fiscal year 2016.
- Discussion regarding the deviation in the appraisals that are performed on the existing property and buildings as compared to the current market value and the price submitted on the Request for Offers to Purchase (RFOTPs).

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

Chairman Gorman stated that the Committee met on April 12th and discussed the following:

- Discussion regarding the proposed plan amendment #6, which includes an alternative development scenario for approximately 16 acres in Oceanport. The approximately 3 acres is for the Monmouth County emergency homeless shelter and 13 acres is for a municipal complex for the Borough of Oceanport. The Committee reached a consensus and agreed to recommend Board approval of the transmittal of the proposed plan amendment to the host municipalities.
- Discussion regarding the MOA with the Army and the remaining issues needed from the NJDEP in order to address outstanding issues. The Committee discussed the process for final approval of the EDC as well as the items awaiting NJDEP review. The Committee reached a consensus and agreed to recommend Board approval of the Phase 2 MOA when the discussions related to the DEP review are finalized.
- Discussion regarding the approval of a transfer agreement for certain Charles Wood Area electrical facilities with Jersey Center Power & Light (JCP&L). The transfer agreement will serve as a potential model for the Phase 2 electrical facilities as well. The Committee reached a consensus and agreed to recommend Board approval of the transfer agreement.
- Discussion regarding the recommendation to approve an amendment to the Purchase and Sale and Redevelopment Agreement (PSARA) with FM Partners, LLC for the Fitness Center. During due diligence, FM Partners produced significant new findings that will limit the redevelopment of the parcel, and requested a reduction in the purchase price. The Committee reached a consensus and agreed to recommend Board approval of the amendment to the PSARA.
- Other Issues
 - McAfee Center
 - Veterans Parcel (Parcel F-2)
 - Building 1123
 - Howard Commons
 - Rose Court Parcel
 - Myer Center
 - Suneagles Golf Course
 - Upcoming RFOTPs

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

Kenneth J. Kloo stated that the Committee did not meet this month.

d) HISTORICAL PRESERVATION STAFF ADVISORY COMMITTEE (BRUCE STEADMAN, INTERIM CHAIRMAN)

Bruce Steadman stated that the Committee met on March 30th and discussed the following:

- Update on the status of all current projects
- Discussion regarding Russel Hall. Tetherview is currently preparing the Mandatory Conceptual Review (MCR). Russel Hall is in the historic district, therefore Tetherview will need to comply with the Historic District guidelines and not make any changes to the exterior of the building other than curbing and street scaping.
- Discussion regarding Squier Hall. Squier Hall is not within the Historic District, however is considered an historic asset. The RFOTP will give higher weight in scoring if the proposals include the restoration of the exterior of the building.
- Discussions regarding Officers Housing and a status update on RPM’s development of the property. RPM has obtained permits and will begin construction of model units. RPM has submitted the MCR and the required documents to the State Historic Preservation Office (SHPO). RPM and FMERA will close on the property within 30 days after FMERA and Army’s Phase 2 closing.
 - Upcoming RFOTPs
 - Charles Wood Firehouse
 - Barker Circle/Main Post Firehouse/Museum
 - Allison Hall
 - Lodging Area - Oceanport

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

Gina Fischetti stated that the Committee did not meet this month.

f) VETERANS STAFF ADVISORY COMMITTEE (FREEHOLD LILLIAN BURRY, CHAIRPERSON)

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

BOARD ACTIONS

Mayor Coffey joined the meeting via phone at 7:48p.m.

A) The first item before the Board was the consideration of approval of a Memorandum of Agreement (MOA) for Phase 2 Economic Development Conveyance (EDC) and amendment of Phase 1 MOA

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

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

Candice Valente read a summary of the Board memo.

Bruce Steadman conducted a roll call vote.

NAME	YES	NO	ABSTAIN
James V. Gorman	X		
Michael Collins	X		
Lillian Burry	X		
Robert Lucky	X		

Gerald Turning	X		
Jay Coffey	X		
Dennis Connelly	X		
Donna Sullivan	X		

Motion to Approve: LILLIAN BURRY Second: ROBERT LUCKY
 AYes: 8

B) The second item before the Board was the consideration of approval of the Authority's Comprehensive Annual Report for 2015, as required by Executive Order No. 37.

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

The resolution and accompanying Board memorandum are attached hereto and marked Exhibit 2.

Candice Valente read a summary of the Board memo.

Motion to Approve: ROBERT LUCKY Second: LILLIAN BURRY
 AYes: 8

C) The third item before the Board was the consideration of approval of transmittal to host municipalities of proposed Plan Amendment #6 permitting alternative development scenario in Oceanport.

A motion was made to approve by Jay Coffey and was seconded by Lillian Burry.

The resolution and accompanying Board memorandum are attached hereto and marked Exhibit 3.

Candice Valente read a summary of the Board memo.

Bruce Steadman conducted a roll call vote.

NAME	YES	NO	ABSTAIN
James V. Gorman	X		
Michael Collins	X		
Lillian Burry	X		
Robert Lucky	X		
Gerald Turning	X		
Jay Coffey	X		
Dennis Connelly	X		
Donna Sullivan	X		

Motion to Approve: JAY COFFEY Second: LILLIAN BURRY
 AYes: 8

D) The fourth item before the Board was the consideration of approval for the transfer of certain Charles Wood electrical facilities.

A motion was made to approve by Robert Lucky and was seconded by Dennis Connelly.

The resolution and accompanying Board memorandum are attached hereto and marked Exhibit 4.

Candice Valente read a summary of the Board memo.

Motion to Approve: ROBERT LUCKY Second: DENNIS CONNELLY

AYes: 8

- E) The fifth item before the Board was the consideration of approval for an amendment to the Purchase and Sale Agreement and Redevelopment Agreement for the Fitness Center Parcel.

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

The resolution and accompanying Board memorandum are attached hereto and marked Exhibit 5.

Candice Valente read a summary of the Board memo.

Motion to Approve: LILLIAN BURRY Second: MICHAEL COLLINS

AYes: 8

- F) The sixth item before the Board was the consideration of approval for a Memorandum of Understanding with the Borough of Eatontown for engineering services.

A motion was made to approve by Dennis Connelly and was seconded by Lillian Burry.

The resolution and accompanying Board memorandum are attached hereto and marked Exhibit 6.

Candice Valente read a summary of the Board memo.

Motion to Approve: LILLIAN BURRY Second: LILLIAN BURRY

AYes: 8

OTHER ITEMS

There were no other items before the Board.

PUBLIC COMMENT REGARDING ANY FMERA BUSINESS (3 minutes re: any FMERA business)

Roseanne Letson of Oceanport asked why the Real Estate Committee did not recommend the sublease of the McAfee Center to the Board. Ms. Letson asked what the status was of the Nurses Quarters, who is the developer that FMERA is in discussions with, what the developer's proposal entailed and if the developer has any relationship to any other developers or leasee at the Fort.

John Motley, President and CEO of Log-Net stated that his company was the sole respondent to the Request for Proposals for sublease of the McAfee Center. Mr. Motley stated that his company has spent over \$50K in contractor costs associated with potentially occupying the McAfee center. Mr. Motley stated that as a resident of Monmouth County, he would hope that something can be worked out for Log-Net to occupy the McAfee Center. Mr. Motley described the layout of the building and stated that commercial use of the building would be difficult due to the unique engineering and construction of the building to suit Army's needs. Mr. Motley stated that the brochures advertised for the building are incorrect and overstated. Mr. Motley asked why FMERA continues to look for only "homerun" tenants and not the smaller tenants who have a higher probability of bringing more jobs to the Fort.

Tom Mahedy of Wall Township asked if the Governor signs off on the actions at FMERA. Mr. Mahedy asked if any of the members of the Board have given any campaign contributions. Mr. Mahedy complained about the Restoration Advisory Board (RAB) meeting and asked how the public can file a grievance about the RAB. Mr. Mahedy asserted that there is hostility from FMERA towards the public regarding the democratic process. Mr. Mahedy asserted that all information regarding the contamination on the Fort was removed from the Monmouth County library files.

Bruce Steadman answered Ms. Letson by stating that the McAfee Center proposal from Log-Net did not follow the required RFP process in that they did not submit Log-Net's financials with their proposal. Upon finally receiving the financials, FMERA deemed that they were unacceptable, presenting too high a risk to FMERA. This was communicated to the evaluation committee and the Real Estate Committee, along with the recommendation not to proceed with a sublease.

Mr. Steadman stated that with the regards to the Nurses Quarters, there has been no change since the March Board meeting, when Ms. Letson previously asked about the Nurses Quarters. Mr. Steadman stated that FMERA has been awaiting input from the Oceanport Ad Hoc Committee regarding certain nuances in the leading Nurses Quarters proposal. It is FMERA's hope that the Oceanport Ad Hoc Committee may be convened soon to discuss this, along with several other FMERA/Oceanport issues.

Mr. Steadman answered Mr. Motley by stating that FMERA is aware of the unique McAfee building engineering and construction issues. Mr. Steadman stated that FMERA is not in the business to pursue homerun projects at the expense of smaller projects and that currently, we have about twenty different projects on the Fort, of all sizes, and that it is not the size of the project but the overall quality, job creation, and the resources and the financial capability of the project principals that the projects offer. Mr. Steadman stated FMERA will review the marketing materials and make any necessary corrections to information that is not accurate.

Mr. Nuse stated that the layout of the building does pose some challenges and FMERA would address the challenges through the rent price for future tenants. Mr. Nuse stated that FMERA, as the landlord, would also address any of the building's systems deficiencies.

Mr. Steadman answered Mr. Mahedy by stating that Mr. Mahedy's comments about the RAB meetings have been addressed on numerous occasions, and that the RAB (Restoration Advisory Board) is an Army-organized entity, not a FMERA-organized entity. Mr. Steadman stated that the FMERA Board's meeting minutes are subject to a 10-day veto period by the Governor's office. Mr. Steadman stated that grievances can be filled via a letter, and if it is an ethics issue, it can be filed through the NJ Ethics Committee on the FMERA or EDA websites.

Mr. Steadman estimated that FMERA has held over 500+ meetings and tours in the last 6 years, and the overwhelming majority of attendees and visitors to the Fort have had good experiences with FMERA and have found the Fort property desirable. Mr. Steadman stated that Mr. Mahedy's assertion about hostility is not accurate, that visitors to the Fort are treated with respect and enthusiasm, that FMERA welcomes input and comments, and that there is transparency between FMERA and the public.

There being no further business, on a motion by Lillian Burry seconded by Michael Collins and unanimously approved by all voting members present, the meeting was adjourned at 8:20.

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
April 20, 2016

Resolution Regarding
Approval of Memorandum of Agreement (MOA) with the U.S. Army for Phase 2 Economic
Development Conveyance and Amendment of Phase 1 MOA

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, in section 9(b) of the Act, the Authority is given the power, “[a]s designated and empowered as the ‘local redevelopment authority’ for Fort Monmouth for all purposes of the Defense Base Closure and Realignment Act of 1990, Pub.L.101-510 (*10 U.S.C. § 2687*), and, in that capacity, to enter into agreements with the federal government, State departments, agencies or authorities, the county, the host municipalities, or private parties”; and

WHEREAS, in section 9(e) of the Act, the Authority is empowered “[t]o acquire or contract to acquire...the project area”; and

WHEREAS, Fort Monmouth closed on September 15, 2011; and

WHEREAS, FMERA and the U.S. Army (Army) executed a Memorandum of Agreement (MOA) for the Phase 1 properties, including the Fort’s Charles Wood Area and three parcels on the Main Post, on June 25, 2012, and FMERA received title to the majority of Phase 1 properties on May 29, 2014; and

WHEREAS, FMERA staff initiated negotiations with the Army on Phase 2 in summer 2012, and negotiated a set of terms via a Phase 2 deal points letter, with the Board’s review, which was executed by FMERA and the Army on June 17, 2014, as described in the attached memorandum; and

WHEREAS, FMERA staff submitted a Phase 2 Economic Development Conveyance (EDC) application based on the non-binding term sheet on July 1, 2014 for Army’s review, and submitted the final application to the Acting Deputy Assistant Secretary of the Army for Installations and Housing on August 25, 2014; and

WHEREAS, the attached Phase 2 MOA contains the binding terms of the EDC of the Phase 2 Fort Monmouth property, as described further in the attached memorandum; and

WHEREAS, FMERA staff and the Army have also negotiated amended language to the Phase 1 MOA, which facilitates FMERA’s Phase 2 financing structure; and

WHEREAS, the Real Estate Committee has reviewed the substantially final form of the Phase 2 MOA and First Amendment to the Phase 1 MOA and recommends Board approval.

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached memorandum, the Authority approves the Memorandum of Agreement (MOA) with the U.S. Army, on terms substantially consistent as those set forth in the attached memorandum and MOA with final terms acceptable to the Executive Director and the Attorney General's Office, and authorizes the Chairman of the Authority or the Executive Director to execute the document. The Executive Director or other staff authorized pursuant to Operating Authority is authorized to do and perform all acts necessary to effectuate this action.

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

ATTACHMENT

Dated: April 20, 2016

EXHIBIT 1

ADOPTED
April 20, 2016

Resolution Regarding
**Approval of Fort Monmouth Economic Revitalization Authority 2015 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, 2015 to December 31, 2015, 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, 2015 to December 31, 2015 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 2015 Comprehensive Annual Report and approve submitting the Report to the Governor's Authorities Unit, the State Treasurer, 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 20, 2016

EXHIBIT 2

ADOPTED
April 20, 2016

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

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

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

WHEREAS, the Reuse Plan envisions the redevelopment of the Oceanport Reuse Area for approximately 1.75 million square feet of non-residential uses and 720 residential units; and

WHEREAS, the redevelopment of the Oceanport Reuse Area included development of a high-tech/green industry cluster, education/medical campus, a neighborhood center, a boutique hotel and spa, and expansive green space including the historic Parade Ground; and

WHEREAS, the Homeless Assistance Submission, approved in conjunction with the Reuse Plan, called for a Homeless Shelter to be operated by the County and located in the Oceanport Reuse Area; and

WHEREAS, the proposed Amendment #6, prepared by the Authority's contracted professional planner Phillips Preiss Grygiel, encompasses two Fort Monmouth properties in the Oceanport Reuse Area, totaling approximately 16 acres and as described in the attached memorandum; and

WHEREAS, staff has reviewed the proposed Amendment #6 with regard to the guidance for reviewing a proposed amendment and reached the following conclusions: (1) this Amendment does not make any change to the number of residential units planned in Oceanport; (2) this Amendment affects only the Oceanport Reuse Area, and the value and use of adjacent parcels in Oceanport is increased due to the centralization of civic uses and the identification of locations for sites affected by Superstorm Sandy; (3) this Amendment would maintain the overarching land use concepts, objectives and principles of the Reuse Plan; (4) this Amendment is consistent with the Authority's BRAC obligations and the negotiations related to the Phase 2 Economic Development Conveyance Agreement with the Army; and (5) this Amendment includes changes to circulation envisioned in the Reuse Plan to address the land use changes, including the reuse of existing roads; and

WHEREAS, the Real Estate Committee has reviewed the proposed plan change Amendment #6, and recommends approval of the transmittal of the proposed amendment to the governing body of each host municipality.

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached memorandum, the Authority approves the transmittal to the governing body of each of the three host municipalities of the proposed attached Amendment #6 to the Fort Monmouth Reuse and Redevelopment Plan that would permit an alternative development scenario in the Oceanport Reuse Area.

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

ATTACHMENT

Dated: April 20, 2016

EXHIBIT 3

ADOPTED
April 20, 2016

**Resolution Regarding
Agreement for Transfer of Certain Charles Wood Property Electrical Facilities to Jersey
Central Power & Light**

WHEREAS, FMERA took title to the Phase 1 properties from the U.S. Army in June 2014, including the Charles Wood Area (CWA) electrical facilities, per the Economic Development Conveyance (EDC) Agreement for Phase 1; and

WHEREAS, FMERA has been maintaining and operating the CWA electrical facilities with the assistance of the On-Call Property Maintenance contractor; and

WHEREAS, in order to implement the Fort Monmouth Reuse and Redevelopment Plan, FMERA desires to make arrangements for the continuation of existing electric service to the Charles Wood Property; and

WHEREAS, Jersey Central Power & Light (JCP&L) is a New Jersey public utility company and an electric distribution company with electric transmission and distribution facilities serving and surrounding Fort Monmouth, and operates as an electric distribution company under its Tariff for Service which is on file with, and approved by, the New Jersey Board of Public Utilities; and

WHEREAS, FMERA does not intend to provide or engage in providing public utility services, including electric distribution services to the various lots that comprise the Charles Wood Property, which FMERA is marketing and selling to interested individuals and entities; and

WHEREAS, as a result of its due diligence work and its review of the electric service needs of the Charles Wood Property and the consideration of the likely or possible electric service needs associated with future development of the Charles Wood Property, JCP&L has advised FMERA of its interest and determination to accept the transfer from FMERA of the Charles Wood Distribution System under the terms and conditions set forth in the attached agreement; and

WHEREAS, the Real Estate Committee has reviewed the agreement and recommends that the Board approve the transfer of certain Charles Wood property electrical facilities to JCP&L;

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached memorandum, the Authority approves entering into an Agreement for Transfer of Certain Charles Wood Property Electrical Facilities with Jersey Central Power & Light (JCP&L) on terms substantially

consistent to those set forth in the attached memorandum and agreement with final terms acceptable to the Executive Director and the Attorney General's Office. The Executive Director or other staff authorized to execute documents pursuant to Operating Authority is authorized to do and perform all acts necessary to effectuate this action.

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

Dated: April 20, 2016

EXHIBIT 4

ADOPTED
April 20, 2016

**Resolution Regarding
Authorization for FMERA to Amend the Purchase and Sale Agreement and
Redevelopment Agreement with FM Partners, LLC for the Fitness Center**

WHEREAS, FMERA issued a Request for Offers to Purchase (RFOTP) for an approximately 7.75 acre parcel and Building 114, the Fitness Center, in March of 2014 and FMERA received one proposal on May 28, 2014, from FM Partners, LLC (FM Partners); and

WHEREAS, the Fitness Center parcel is located within the Phase 2 area of the Main Post and sale of the parcel is contingent on the negotiation of a Phase 2 Economic Development Conveyance Agreement (EDC) with the Army; and

WHEREAS, at the Authority's June 17, 2015 meeting, the Board authorized FMERA staff to enter into a Purchase and Sale Agreement and Redevelopment Agreement (PSARA) with FM Partners; and

WHEREAS, the terms of the PSARA included FM Partners paying \$3,450,000 and closing within 30 days of satisfaction of conditions precedent, including FM Partners completing due diligence and obtaining all approvals necessary to develop the project; and

WHEREAS, the PSARA was executed on August 11, 2015 and FM Partners subsequently began their due diligence activities, which required an expanded timeline extended through May 15, 2016 per the Executive Director's authority as granted by the Board; and

WHEREAS, further due diligence investigations produced significant new findings that will limit the redevelopment of the parcel as proposed and produce unforeseen redevelopment costs; and

WHEREAS, negotiations with FM Partners have lead to the attached amendment to the PSARA with the following revisions to material terms in the PSARA: (1) termination of the due diligence period and acceptance of the property in as-is condition; (2) reduction of the purchase price to \$2,300,000; and (3) agreement by FMERA to clear or cause to be cleared the State's Tidelands claim on the property, which may occur before or after closing; and

WHEREAS, redevelopment of the Fitness Center parcel will require an amendment to the Reuse Plan to allow FM Partners' sign on the water tower and because the property boundaries differ from those depicted in the Reuse Plan and encompass three different development districts; and

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

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the amendment to the Purchase and Sale Agreement and Redevelopment Agreement with FM Partners, LLC for the Fitness Center parcel in Oceanport, on terms substantially consistent to those set forth in the attached memorandum and with final terms acceptable to the Executive Director and the Attorney General's Office, and authorizes the Executive Director to execute the amendment and take any necessary actions to effectuate the selection of FM Partners, LLC as the purchaser of the Fitness 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 20, 2016
ATTACHMENT

EXHIBIT 5