

**Fort Monmouth Economic Revitalization Authority
Board Meeting
May 17, 2017
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
- John Tobia – Monmouth County Public Works Director – V
- Gerry Turning – Mayor of Tinton Falls – V
- Robert Proto – Oceanport Councilman – V
- Dennis Connelly – Mayor of Eatontown – V
- Dr. Robert Lucky – Public Member – V
- Tom Huth – Assistant Counsel, Authorities Unit, Office of the Governor – V (via phone)
- Donna Sullivan – Vice President of Real Estate, NJ Economic Development Authority – V
- Kenneth J. Kloo, Director, Site Remediation Program, NJ Department of Environmental Protection
- William Riviere, Principal Planner, NJ Department of Transportation
- John Raue, Senior Policy Advisor to the Commissioner, NJ Department of Labor & Workforce Development

V – Denotes Voting Member

Members not present:

- Gina Fischetti, Chief Counsel, Local Planning Services, NJ Department of Community Affairs

Also present:

- Bruce Steadman, FMERA Executive Director
- 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, and that the meeting notice has been duly posted on the Secretary of State's bulletin board at the State House, and the FMERA website.

The first item of business was the approval of the April 19th regular meeting minutes. A motion was made to approve the minutes by Robert Lucky and seconded by Dennis Connelly.

AYes: 7

Robert Proto abstained from voting stating he was not at the April meeting.

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 Board would consider one board action: 1) Consideration of Approval of the Purchase and Sale and Redevelopment Agreement for Artist Barracks in Eatontown.

The Chairman went on to state that there will be two public comment periods at the meeting based on the Authority's public meetings protocol, 3 minutes per speaker for the first agenda items, and 5 minutes per speaker for the second for any FMERA business. 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 welcomed Steve Callas to the FMERA staff.

TREASURER'S REPORT

Bruce Steadman stated that the 2016 Comprehensive Annual Report of the Authority, approved by the Board at the April meeting, has been issued, distributed and posted to the Authority's website in accordance with Executive Order No. 37. The Authority's financial data has been submitted to the Federal Audit Clearinghouse in compliance with OMB Circular A-133 requirements.

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

There was no public comment.

EXECUTIVE DIRECTOR'S REPORT

Rick Harrison, Director of Facilities Planning, gave the following summary of the status of RFPs and Contracts that FMERA has issued:

Auctioneer: The Auctioneer's Group had two auctions planned in the month of May:

- May 13th 10:00 AM – Construction and Landscaping Equipment/Supplies
- May 20th 10:00 AM – Small-Lot Auction for the General Public

The May 13th auction was rescheduled due to bad weather last Saturday and the May 20th small-lot auction is being postponed until September. This opened-up May 20th for the rescheduling of the Construction and Landscaping Equipment/Supplies Auction. Today there was an auction of West Electrical Substation in Parcel B. Stay tuned for additional auctions scheduled for June and throughout the summer.

Utilities:

- We continue to experience issues with the old infrastructure including power failures, water leaks, inflow and infiltration that keep our sewerage pump stations working hard in overload due to the significant rainfall finding its way into the sewer system. On a positive note our property management team and their stable of sub-contractors has been able to deal with all of these issues. They also completed our second round of water system flushing to keep our water system in compliance.
- NJ American Water is pulling together the bid documents to issue an RFP for construction of the new water system on the Main Post. They believe construction can be completed by this fall.
- TRWRA awarded the design and engineering of the Main Post Oceanport sanitary sewer system contract last evening to Maser Consulting PA.

Suneagles Golf Course:

- The good news is that the winter is behind us. The bad news is that less than desirable weather patterns continue to negatively impact our operations. March and April were simple miserable and until today there is no indication

that May is getting any better. Usually by this time of the year, we get some breaks in the weather, even temporary ones. That simply has not been the case until yesterday and to make matters even worse, we have had some major rain storms on weekends.

Despite these negatives the course is in outstanding shape. The greens have healed nicely after the earlier aeration. Fairways and roughs are looking good as well. We continue to receive lots of favorable comments about overall conditions.

Property Management/Maintenance:

- Our property management contractor, Chenega Operations Services (COS) has been dealing with the various utility issues mentioned above. They are now focused on shutting down utilities to buildings that are not occupied and are not planned for reuse. Flushing of the Main Post water system continues to be a priority and they have been very active repairing needed equipment and assisting the Auctioneers' Group staging for the next round of auctions.

FMERA would also like to extend our appreciation to Gary Gebele and his Tinton Falls DPW crew for helping us clean-up the area on Heliport Drive in preparation for the Aaski Technologies Ribbon Cutting event last Friday.

Marina:

The marina is in full boating season mode. The deck is open and continues to draw a nice crowd. They were sold out on Mother's Day and have a new expanded menu and specialty cocktail offering.

FMERA would also like to thank the Monmouth County Public Works folks, especially John Tobia and Elias Sarrinikolaou for the great job on our new monument park near the entrance on Oceanport Avenue and the relocation of WWII monuments to the area of the WWII Memorial which has been cleaned-up and had some new trees planted.

Kara Kopach, Senior Program Officer, gave the following town-by-town summary of the status of our redevelopment projects.

In Oceanport, Triumphant Life Assembly of God Church purchased the Main Post Chapel in February and opened in April. RPM Development, which closed earlier this year on the Historic Officer Housing and has started renovating the 117 housing units.

Also in Oceanport, FMERA has executed contracts on 3 parcels:

- Russel Hall, the former Garrison Headquarters building which is under contract with TetherView Property Management, LLC.
- Fitness Center, which is under contract with FM Partners, LLC.
- Dance Hall, a former recreation building on Brewer Avenue, under contract to AP Development Partners.

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;
- the Marina, which is currently operating as a marina/public boat ramp and restaurant; and
- Squier Hall Complex, 31-acre site currently under negotiations with the sole bidder, where the RFOTP called for office/research, institutional/civic (including educational) and/or open space/recreation uses. The future developer will be required to retain Squier Hall, which is listed on the National Register of Historic Places.

On December 29th, FMERA issued two RFOTPs for the Lodging Area and Allison Hall. The Lodging Area RFOTP is seeking proposals for medium density residential, institutional/civic, and/or office/research development of the approximately 15-acre site. The Allison Hall RFOTP is seeking proposals to reuse the historic Allison Hall for a boutique hotel, as well as retail, office/research and open space/recreation uses in the approximately 13-acre parcel. Proposals that include both parcels in a comprehensive redevelopment project will receive additional points. Proposals in response to both RFOTPs were due on April 21st. FMERA received 1 proposal for the Allison Hall

parcel, and 4 proposals for the Lodging Area parcel. An evaluation committee has been formed and will begin evaluating the proposals.

On March 8th, FMERA issued an RFOTP for Barker Circle, also in the historic district in Oceanport. The RFOTP is seeking proposals for the repurposing of all of the Barker Circle buildings for residential, office/research & development, institutional and/or health care related uses. FMERA will accept proposals that include alternate uses for the former Fire House and Kaplan Hall which served as the Fort's museum. Proposals are due by June 2, 2017.

In Eatontown, FMERA executed a contract in May with American Properties at Monmouth, LLC, for the Howard Commons property on Pinebrook Road, American Properties will demolish the 486 existing townhouses and build approximately 200 single family detached homes and 51 affordable housing units on the 64-acre site.

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

- Eatontown Barracks, 6 buildings on Semaphore Avenue on an approximately 4.4-acre parcel, where FMERA received one proposal for an arts/cultural center use. FMERA negotiated a PSARA with the proposer and will present a recommendation to the Board at tonight's meeting; and
- Suneagles Golf Course, where FMERA is in negotiations with the lead bidder for the reuse of the Golf Course and Gibbs Hall and the construction of up to 75 residential units.

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

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

- Parcels C and C1, with Lennar Corporation, approved for 288 residential units over the two parcels, and up to 58,000 square feet of retail development;
- Fabrications Shops (Pinebrook Road Commerce Center), 45,000 square feet of light industrial and flex office space buildings along Pinebrook Road for sale to Pinebrook Commerce Center, LLC, which is scheduled to close later this month;
- Pistol Range and Satellite Road Parcel, under contract with Kiely Realty Group for the reuse and upgrading of the former Pistol Range, and additional office and commercial uses on the combined approximately 5-acre parcel; and
- Recreation Center and Swimming Pool, under contract to the Monmouth County Park System, which is currently open to the public through a lease with the County.

FMERA is in negotiations with the lead bidder for a contract related to the sale and redevelopment of the Charles Wood Fire Station, an approximately 4-acre parcel along Corregidor Road in the Tinton Falls Reuse Area.

FMERA is working with the New Jersey Economic Development Authority to evaluate options for the demolition of the Myer Center and redevelopment of the 36-acre Parcel F-1 site. NJEDA is preparing to issue a request for demolition bids this spring.

Candice Valente, Senior Marketing Officer, stated that on Friday, May 12th, FMERA joined AASKI Technology to celebrate the grand opening of the refurbished Building 2525 in Tinton Falls. FMERA sold the property to RADAR Properties, LLC in early 2016, and the company has worked to renovate the building. The May 12th ribbon-cutting ceremony included local officials and business leaders.

FMERA would also like to congratulate Freeholder Director Lillian Burry for her President's Award from the Monmouth-Ocean Development Council (MODC) at its 52nd Annual Silver Gull Award Dinner. MODC recognized Freeholder Burry's career-long commitment to economic development within Monmouth County, including her commitment to the redevelopment of Fort Monmouth.

Staff will be recognizing the Fort's 100th anniversary this June at FMERA's annual Flag Day event on June 14th. The ceremony will begin at 2:30 PM, and all members of the public are welcome. More information will be provided via our website and newsletter as the date approaches.

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

Bruce Steadman gave an update on FMERA actions items:

- 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, and thanks to all 3 Boroughs and the County for the continued help & support.
- Continued collaboration with the NJEDA Trenton Office on marketing and business development opportunities

Mayor Turning stated that it was an honor to attend the celebration of the Aaski Open House and 20th Anniversary celebration. Mr. Turning stated that he has also spoken with Commvault and Trinity Hall about their new buildings in Tinton Falls and they have all expressed their appreciation and happiness at being a part of the Fort redevelopment. Mr. Turning further stated that all those involved, especially the FMERA staff and the Board, should be very proud of the accomplishments of the redevelopment of the Fort to date. Mr. Turning thanked the Board and FMERA on behalf of Tinton Falls.

COMMITTEE REPORTS

a) AUDIT COMMITTEE (ROBERT LUCKY, CHAIRMAN)

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

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

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

- Discussion and summary of the Purchase and Sale and Redevelopment Agreement (PSARA) with Kenneth Schwartz for the six former barracks known as Buildings 1102 through 1107 in Eatontown. Mr. Schwartz will redevelop the property for a cultural center that promotes the arts, music, entertainment or a museum and will maintain the approximately 2 acre Soldiers Park as open space. The Committee reached a consensus and agreed to recommend approval for the PSARA with Kenneth Schwartz to the Board.
- Discussion on Other Issues:
 - Building 501 – Family Promise: FMERA will convey Building 501 to Family Promise of Monmouth County under the Legally Binding Agreement (LBA) obligation.
 - Bowling Center: FMERA will issue a Request for Bids for the bowling center.
 - Update on Contracts:
 - Parcel B
 - MCIA Series B
 - Squier Hall
 - Oceanport Municipal Complex
 - Suneagles Golf Course
 - Proposed Municipal Boundary between Eatontown and Oceanport.
 - Veterans Project: Discussion regarding the Veteran's Committee's request for a facility at the Fort for Veteran's affairs in recognition of the local Veterans.

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

Kenneth J. Kloo, stated that the Committee met on May 1st and discussed the following:

- Discussion relative to the management of contaminated soils to be excavated at specific remediation sites in the Phase 2 property. The Committee discussed the potential for using the soils for site preparation and/or grading under the final cap as part of the closure of the landfills, where appropriate. This approach may reduce costs associated with purchasing clean soil for grading purposes while simultaneously avoiding costs for disposing of minimally contaminated soil.
- FMERA staff summarized recent discussions with managers and staff from the NJ DEP Water Resources Management Program related to the Fort's water system, and updated the Committee on the status of the water main installation in the Oceanport section of the Fort. FMERA plans to continue with the monthly flushing of the water system.
- The public comment period for the Finding of Suitability to Transfer (FOST) for carve-outs located within Parcels 28, 38 and 69 closed on April 7th. The Army Corps of Engineers is now working on a deed for conveyance of the carve-outs within the three parcels to FMERA. These are the first carve-outs to be transferred.
- Discussion regarding the location and potential sources of two methane gas detections at the M-14 landfill in Oceanport. The Army met with the NJ DEP in relation to this issue and a resolution was expected in the coming days.
- Update on ECP Parcels 35, 51, 53, and 76. The Army has received a No Further Action determination from the NJ DEP related to a former septic tank at Parcel 35, located near the Fort Monmouth Recreation Center in Tinton Falls; the Army has secured a No Further Action determination at several sites within Parcel 51, the County's Motor Pool in Eatontown, but must provide additional information on two sites within the carve-out; FMERA staff has encouraged the Army to address the issues at Parcel 53 in Eatontown through either compliance averaging or soil excavation; and the Army has received a No Further Action determination for two former underground storage tanks at Parcel 76 in Oceanport.
- FMERA staff summarized the Army's field activities at two sites: Parcel 34, located on Parcel F-3 in Tinton Falls, purchased by the Monmouth County Parks System in February, where the Army has installed three new monitoring wells and collected samples in March; and Parcel 96, the former dry-cleaning facility near Building 700 in Oceanport, where the Army has completed its fieldwork and collected samples in March as well. Both sets of results are expected in the coming month.
- Summary of property closings in the early months of 2017 and the closings expected in the coming weeks. FMERA has received proposals for two parcels in Oceanport, and is in negotiations for the sale of the Golf Course in Eatontown.

a) HISTORICAL PRESERVATION STAFF ADVISORY COMMITTEE (JAY COFFEY, CHAIRMAN)

Bruce Steadman, on behalf of Jay Coffey, stated that the Committee did not meet this month.

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

Bruce Steadman, on behalf of Gina Fischetti stated that the Committee did not meet this month.

c) VETERANS STAFF ADVISORY COMMITTEE (FREEHOLDER DIRECTOR LILLIAN BURRY, CHAIRPERSON)

John Tobia, on behalf of Lillian Burry stated that the Committee did not meet this month.

John Tobia stated that the personnel from the Monmouth County Highway District have taken extreme pride in working at the Fort in all aspects of the work that they are performing due to many having a history with the Army at Fort Monmouth. Mr. Tobia stated that the monuments have a significant meaning personally, and for their meaning to the many service personnel that they are dedicated to.

BOARD ACTIONS

A) The item before the Board was Consideration of Approval of the Purchase and Sale Agreement & Redevelopment Agreement for Artist Barracks in Eatontown.

The resolution is attached hereto and marked Exhibit 1.

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

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

OTHER ITEMS

There were no other items before the Board.

PUBLIC COMMENT REGARDING ANY FMERA BUSINESS (5 minutes re: any FMERA business)

There was no public comment.

There being no further business, on a motion by Dennis Connelly seconded by John Tobia and unanimously approved by all voting members present, the meeting was adjourned at 7:40p.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
April 19, 2017

Resolution Regarding
Approval of a Purchase and Sale Agreement & Redevelopment Agreement with Kenneth Schwartz for the Barracks in Eatontown

WHEREAS, on July 1, 2016, FMERA issued and publicly advertised a Request for Offers to Purchase (RFOTP) with a response date of August 29, 2016, in connection with the planned redevelopment of six World War II era barracks in Eatontown (Barracks); and

WHEREAS, the Barracks are located on an approximately 4.4-acre parcel located in the Eatontown Reuse Area, containing 6 two-story buildings totaling approximately 24,780 square feet, all slated for demolition in the Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan), with the parcel remaining as open space to include the area known as Soldiers Park; and

WHEREAS, FMERA received one proposal for the property, and an evaluation committee reviewed and deemed the proposal from Kenneth Schwartz compliant; and

WHEREAS, Mr. Schwartz proposes to renovate and retrofit the existing structures (Buildings 1102-1107) for commercial arts-related uses, including studio, performance and gallery space, as well as short-term residential units for artists; and

WHEREAS, the terms of the proposed PSARA include Mr. Schwartz paying \$200,000 for the property; closing will occur within six months of execution of the PSARA and of satisfaction of the conditions precedent to closing, which include Mandatory Conceptual Review of the project by FMERA, receipt of a final remediation document from either the New Jersey Department of Environmental Protection or Mr. Schwartz' Licensed Site Remediation Professional, an amendment to the Fort Monmouth Reuse and Redevelopment Plan to accommodate the project, and the consent of the NJEDA Board; and

WHEREAS, the deed for the property will include a restriction limiting any residential uses on the property to thirty (30) day rental terms for artists, which can be renewed monthly for a maximum of 6 months, that shall meet the description of the R-1 Residential Group as defined by the New Jersey International Building Code at N.J.A.C. 5:23-3.14, for a duration of thirty (30) years, as well as a restriction limiting the use of Soldiers Park as open space in perpetuity; and

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

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the selection of Kenneth Schwartz as the purchaser of the Barracks in Eatontown pursuant to the July 1, 2016 Request for Offers to Purchase (RFOTP),

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 Kenneth Schwartz as the purchaser.

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

ATTACHMENT

Dated: May 17, 2017

EXHIBIT 1