

**TO:** Members of the Board

**FROM:** Bruce Steadman  
Executive Director and Secretary

**DATE:** May 18, 2016

**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 Lucky, Chairman
  - Real Estate Committee – James V. Gorman, Chairman
  - Environmental Staff Advisory Committee – Kenneth J. Kloo, Chairman
  - Historical Preservation Staff Advisory Committee – Bruce Steadman, Interim Chairman

- Housing Staff Advisory Committee – Gina Fischetti, Chairwoman
- Veterans Staff Advisory Committee – Lillian Burry, Chairwoman

12. **Other Board Actions**

- Consideration of Approval of Plan Amendment #5 Permitting Alternative Development Scenario in Tinton Falls
- Consideration of Approval of Transmittal to Host Municipalities of Proposed Plan Amendment #7 Permitting Alternative Development Scenario in Oceanport
- Consideration of Approval of Evaluation Scoring for Local Beneficial Use Requests

13. **Other Items**

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

- Responses to questions submitted online or in writing

15. **Adjournment**

**MEMORANDUM**

TO: Members of the Board

FROM: Bruce Steadman  
Executive Director

DATE: May 18, 2016

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 2015 Comprehensive Annual Report and Grant Application; 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. 2015 Comprehensive Annual Report of the Authority  
The 2015 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 2015 financial data has been submitted to the Federal Audit Clearinghouse in compliance with OMB Circular A-133 requirements.
2. Grant Application  
A grant application to the Office of Economic Adjustment (OEA) in support of the Authority's operations is under review and should be submitted to OEA by the end of the month. The funds being requested are consistent with the budget approved by the Authority's Board for fiscal year 2016 and presented to the State's Office of Management and Budget in support of the Authority's appropriation request.

**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 (EDC) application on July 1, 2014, and it is currently under review by the Army. At the April meeting of the Board, staff presented a substantially final form of the Phase 2 MOA, which the Board approved. We expect the MOA to be executed by Army and FMERA in July, and the issuance of the EDC immediately thereafter.

## 2. Update on RFPs and Contracts

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

### Auctioneer

There has been no auction activity since November 10th.

### Utilities

FMERA continues to plan for upgrades to utility systems and working with the public utilities and our subcontractors to ensure required utilities are safe and operational. There have been meetings with Two Rivers Water Reclamation Authority (TRWRA), and the three borough's engineers and officials to plan a path forward for both sanitary sewer and water service. We are currently working with the Oceanport Engineer and 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. The transfer agreement for the Charles Wood Electrical system to JCP&L was approved at the April board meeting and is in the process of being executed. This agreement will also serve as a template for a Phase 2 agreement which is currently under discussion.

### Suneagles Golf Course

LINX Golf Management reports - *The recent windstorm (back in April) left us with over 25 down trees, some of them quite large. It also resulted in the collapse of the awning on the side of Gibbs Hall. We are pleased to announce that all trees have been removed, roots and all. The awning covering the side entrance was reinstalled on Friday the 13th. The course is coming in nicely. The tees, roughs and fairways look fantastic. The greens have yet to fully heal from the recent aeration. The weather has not been cooperating as of late, (cold, cloudy) but the forecast of warmer weather, and some sun will help a lot. We are projecting that the greens will be perfect within a week or two. Play continues to be strong this year although May is behind due to colder than average weather patterns. Joes' is doing well. We have a new menu and traffic has been well above average. Our patrons love it there.*

### 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. They are preparing for the upcoming HVAC cooling season, grass cutting season and prepping buildings for marketing. We are also preparing for the transition to maintaining the Phase 2 property when transferred.

### Marina

The boating season is upon us and a number of slips have been rented and occupied. The operator is also reserving some slips for dock and dine. They continue to be open evenings and for brunch on the weekends and have now opened for lunch.



### Appraiser Request for Qualifications

FMERA issued a Request for Qualifications (RFQ) for Real Estate Appraisal Services on November 13<sup>th</sup>. Qualifications were received on December 14<sup>th</sup> and 5 proposals were received. Through this RFQ, the Authority sought to establish a pre-qualified pool of five (5) to ten (10) qualified firms to provide these services on an as needed basis. Due to poor response, we terminated this RFQ and issued a new the RFQ modifying that requirement. The responses were due on April 15, last Friday and 10 responses were received. Staff will be evaluating these for compliance and scoring.

### 3. Update on RFOTPs

The following is a town-by-town summary of the status of redevelopment projects.

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 issued an RFOTP for the Squier Hall Complex on April 29, 2016, for up to approximately 31 acres in the Oceanport Reuse Area. FMERA is seeking proposals for office/research, institutional/civic (including educational) and open space/recreation uses. The future developer will be required to retain Squier Hall, which is listed on the National Register of Historic Places. Sale of the parcel is contingent on the execution of the Phase 2 Economic Development Conveyance Agreement with the Army. Responses are due on June 27, 2016.

FMERA has received Board approval to issue RFOTPs for several other properties in Oceanport, including 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, which 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 buildings 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 issued an RFOTP for the Charles Wood Fire Station on May 6, 2016, on an approximately 4 acre parcel along Corregidor Road in the Tinton Falls Reuse Area. FMERA is seeking proposals to either reuse the Fire Station and adjacent property for a civic/institutional use, or for an adaptive reuse of the building for commercial/retail uses. Proposals are due on July 8, 2016.

FMERA has also received Board approval to issue an RFOTP for Parcel F-2, and will evaluate options for issuing an updated RFOTP for Parcel F-1, which includes the Myer Center.

#### 4. Marketing Update

On May 12, the Monmouth County Board of Chosen Freeholders presented FMERA Chairman James V. Gorman with a proclamation in honor of National Economic Development Week, May 8-14, and FMERA's work in support of the economic development of Monmouth County, which includes attracting and retaining jobs, growing businesses and fostering sustainable growth in the region.

FMERA and Cushman & Wakefield (Cushman), the Authority's Master Broker, are preparing to issue additional 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 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.

FMERA will once again be organizing an event for this year's Flag Day, on June 14, 2016. 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](http://www.fortmonmouthnj.com), for more information and to sign up for our monthly digital newsletters.

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

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Approved By: Bruce Steadman

Prepared by: Candice Valente



**ADOPTED  
May 18, 2016**

Resolution Regarding  
**Approval of Fifth Plan Amendment Permitting Additional Development Scenario in Tinton Falls**

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

**WHEREAS**, pursuant to the FMERA Act and 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 proposed amendment #5, prepared by the Authority's contracted professional planner Phillips Preiss Grygiel, encompasses the Pistol Range Parcel in the Tinton Falls Reuse Area; and

**WHEREAS**, in accordance with the FMERA Act and the Land Use Rules, the Board approved transmitting the proposed Reuse Plan amendment #5 to the host municipalities at its February 17, 2016 meeting; and

**WHEREAS**, the 45-day comment period commenced on March 9, 2016; and

**WHEREAS**, the comment period expired on April 22, 2016 and responses were received from Tinton Falls, Eatontown and Oceanport; and

**WHEREAS**, FMERA staff reviewed the responses and provided an analysis of the responses and recommendations to the Real Estate Committee; and

**WHEREAS**, the Real Estate Committee reviewed the Reuse Plan amendment #5 and the responses from the three host municipalities, as well as the clarifications from FMERA staff, and recommends adoption of amendment #5.

**THEREFORE, BE IT RESOLVED THAT:**

1. The Authority adopts the responses contained in the attached memorandum, to the comments from the Boroughs of Tinton Falls, Eatontown and Oceanport.

2. As expressed in the attached memorandum, the Authority approves Amendment #5 to the Fort Monmouth Reuse and Redevelopment Plan that would permit an additional development scenario in the Tinton Falls Reuse Area.

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

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

ATTACHMENT

Dated: May 18, 2016

**EXHIBIT 1**

DRAFT

**MEMORANDUM**

**TO:** Members of the Board

**FROM:** Bruce Steadman  
Executive Director

**RE:** Recommendation to Approve Proposed Plan Amendment #5 Permitting  
Additional Development Scenario in Tinton Falls

**DATE:** May 18, 2016

Request

I am requesting that the Board approve the proposed Amendment #5 to the Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan) that would permit an additional development scenario in Tinton Falls.

Background

In 2008, the Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan) was completed and accepted by the U.S. Department of Housing and Urban Development and the U.S. Department of Defense, and serves as the Plan for the redevelopment and revitalization of Fort Monmouth to be implemented by FMERA. FMERA's enabling legislation, P.L. 2010 c. 51 (the Act), the Land Use Rules subsequently adopted in 2013, N.J.A.C. 19:31C-3 et seq. (Land Use Rules), and the Reuse Plan contemplate that amendments to the Reuse Plan would be required from time to time. Specifically, the Act authorizes FMERA "to adopt, revise, adjust, and implement... any aspect of the plan."

Reuse Plan amendments allow FMERA to respond to opportunities that arise through the Request for Offers to Purchase (RFOTP) process. In accordance with the Act and the Land Use Rules, prior to approving an amendment to the Plan, the amendment must be transmitted to the governing body of each host municipality for a 45 day comment period, at the end of which each municipality may provide FMERA with a written report containing the municipality's recommendations. Staff will review the report from each host municipality and prepare a preliminary analysis with reasons for accepting or not accepting the recommendations. This report shall be presented to the Board for its consideration and approval.

*Development Contemplated under the Reuse Plan*

The Reuse Plan currently envisions the redevelopment of the Tinton Falls Reuse Area for approximately one million square feet of non-residential uses and 288 residential uses. The Reuse Plan included development of a high-tech business campus with a multi-use town center



with ground-floor retail space with mixed-income housing or professional office space above, and standalone residential, institutional and civic uses. The Tinton Falls Reuse Area also included the commercial reuse of former fabrication shops and the institutional reuse of police training facilities at the pistol range. Reuse of additional facilities in Tinton Falls included the commercial gas station on Hope Road and the governmental reuse of the Fire Station on Corregidor Road.

In May of 2012, the FMERA Board approved Plan Amendment #1, which allowed for an alternative development scenario concept for approximately 55 acres in Tinton Falls then known as Parcel E. This amendment allowed for the commercial redevelopment of the parcel, and redistributed the 126 residential units planned in Parcel E to other sites in Tinton Falls. The alternative development scenario became the plan for the relevant portions of Tinton Falls upon the commercial redevelopment of Parcel E. The completion of the CommVault headquarters on this parcel has quickly encouraged continued development in Tinton Falls.

In November of 2015, the FMERA Board approved Plan Amendment #3, which allowed for alternative and additional development scenarios for several parcels in Tinton Falls, including the following: (1) Light industrial/fabrication/assembly use at the Pinebrook Road Commerce Center Parcel and adjacent 1.5 acres, including incidental office and limited ancillary retail uses; (2) Low-density and expanded medium-density residential uses and retail uses in Parcel C; (3) Reduce the number of residential units in Parcel C1; (4) Allow for the potential demolition of the commercial gas station on Hope Road and the institutional/civic use of the parcel; (5) Allow for the commercial reuse of the Charles Wood Fire Station, as well as the ancillary commercial and/or accessory parking use of the adjacent parcel. In addition, Plan Amendment #3 allows for the commercial reuse of the former Pistol Range and the adjacent 1.5 acre parcel along Satellite Drive for commercial and/or accessory parking. Although the 1.5 acre parcel is envisioned in the Reuse Plan as passive open space that is to be “reforested,” the land is currently improved with remnants from its former uses as fire and police training facilities including concrete pads, a paved roadway, and a fragmented segment of a railroad track and is not currently forested.

#### *The Proposed Reuse Plan Amendment*

The attached proposed Amendment #5 prepared by the Authority’s planning consultant, Phillips Preiss Grygiel, LLC (PPG) encompasses the former Pistol Range and the adjacent 1.5 acre parcel on Satellite Road in the Tinton Falls Reuse Area. The proposed Amendment maintains the Plan’s land use concepts and plans while permitting a development scenario for the parcel that, if pursued, would result in the development of an additional 58,000 square feet of nonresidential building, including approximately 46,000 square feet of commercial/recreation uses in an expanded Building 2627, a new ±10,000 square foot light industrial/fabrication/assembly building (which use was previously defined in Plan Amendment #3) and an additional ±2,000 square feet of light industrial/fabrication/assembly and/or commercial recreation in an expanded Building 2628. This amendment would still allow for the commercial reuse of the former Pistol Range, as well as additional commercial/retail use in the adjacent 1.5 acre portion of the parcel on Satellite Road. In addition, the proposed amendment includes the reuse of Building 2629, a former fire training facility, for ancillary training uses for the commercial recreation facility in the former Pistol Range. Finally, the amendment also contemplates a new east-west road connecting Satellite Road to Pearl Harbor Drive just north of the Pistol Range parcel. In the



attached draft of Amendment #5, the floor area ratio is stated explicitly. While this standard could be determined from the information included in the Amendment, stating it will avoid confusion in future site plan review.

The amendment adds a new definition for commercial recreation facility as a subset of the retail/commercial uses in FMERA's Land Use Rules. This is defined as "a recreation facility operated as a business and open to the public for a fee for the purpose of recreation and entertainment, including, but not limited to, health clubs, bowling alleys, skating rinks, indoor driving ranges, indoor pistol/rifle ranges, indoor batting cages, indoor sports courts, indoor archery ranges, and indoor swimming pools."

This amendment supersedes the uses depicted for this parcel in Amendment #3. Staff recommends these changes as the highest and best use for the site based on the results of the Requests for Offers to Purchase (RFOTPs).

Staff has reviewed the Amendment with regard to the criteria in the Land Use Rules, in N.J.A.C. 19:31C-3.27(c)5, for reviewing a proposed amendment and proposes the following conclusions:

1. This Amendment would not change the total number of residential units planned in Tinton Falls.
2. This Amendment affects only the Tinton Falls Reuse Area. As to those portions of the Tinton Falls Reuse Area not modified by this Amendment, their value and use is increased due to the incorporation of market-driven interest and uses in the parcels that are modified by this Amendment.
3. This Amendment would maintain the overarching land use concepts, objectives and principles of the Reuse Plan; thus, the Reuse Plan would remain a rational coordinated land use plan.
4. This Amendment is consistent with the Authority's BRAC obligations and the existing Phase 1 Economic Development Conveyance (EDC) agreement with the Army by aligning the planned uses with actual market-driven responses to RFOTPs.
5. The proposed Amendment includes changes to circulation envisioned in the Reuse Plan to address the land use changes. As indicated in the Reuse Plan, impacts on the existing gas, electric, water, wastewater and telephone utilities are to be evaluated at site plan review for a specific project.

In accordance with the Act and the Land Use Rules, on February 17, 2016, the FMERA Board approved the transmittal of proposed Amendment #5 to the governing body of each municipality for a 45-day comment period. The municipalities received Amendment #5 on March 9, 2016, upon expiration of the Governor's 10-day veto period; the comment period ended on April 22, 2016. The correspondence received from Eatontown, Tinton Falls and Oceanport is attached.

The letter from Eatontown's Borough Administrator states that the Eatontown Borough Council passed a resolution recommending approval of Amendment #5 and that no comment or feedback was received from the Planning Board. The letter from the Tinton Falls Council President states that the Borough Council reviewed the amendment and has no comment. The email

correspondence from the Oceanport Borough Clerk states that the Oceanport Council reviewed the amendment and would submit no formal comment or resolution.

Per FMERA's Land Use Rules, Authority staff must review reports from each municipality and provide a preliminary analysis of reasons for accepting or not accepting recommendations received from host municipalities. After receiving no comments from the host municipalities, FMERA staff recommends final Board approval of Amendment #5.

The Real Estate Committee has reviewed the request and recommends final Board approval of proposed Amendment #5.

Recommendation

In summary, I am requesting that the Board approve the proposed Amendment #5 to the Reuse Plan that would permit an additional development scenario in Tinton Falls.

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Bruce Steadman

Prepared by: Candice Valente



**ADOPTED**  
**May 18, 2016**

Resolution Regarding  
**Transmittal to Host Municipalities of Proposed Seventh 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 proposed Amendment #7, prepared by the Authority's contracted professional planner Phillips Preiss Grygiel, encompasses the Fitness Center parcel in the Oceanport Reuse Area, totaling approximately 7.5 acres and as described in the attached memorandum; and

**WHEREAS**, the Reuse Plan envisioned the commercial/retail reuse of the former Fitness Center and the realignment of the adjacent roadways; and

**WHEREAS**, the land uses proposed in Amendment #7 include the development of an additional approximately 53,000 square feet of nonresidential building, the expanded commercial recreational reuse of the former Fitness Center, the retention of the existing water tower, and the reuse of the existing road configurations surrounding the parcel; and

**WHEREAS**, staff has reviewed the proposed Amendment #7 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 incorporation of market-driven interest and uses; (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 #7, 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 #7 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: May 18, 2016

**EXHIBIT 2**

**MEMORANDUM**

**TO:** Members of the Board

**FROM:** Bruce Steadman  
Executive Director

**RE:** Transmittal to Host Municipalities of Proposed Plan Amendment #7 Permitting Additional Development Scenario in Oceanport

**DATE:** May 18, 2016

Request

I am requesting that the Board of Members approve the transmittal to the three host municipalities of the proposed Amendment #7 to the Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan) that would permit an alternative development scenario in Oceanport.

Background

In 2008, the Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan) was completed and accepted by the U.S. Department of Housing and Urban Development and the U.S. Department of Defense, and serves as the Plan for the redevelopment and revitalization of Fort Monmouth to be implemented by FMERA. FMERA's enabling legislation, P.L. 2010 c. 51 (the Act), the Land Use Rules subsequently adopted in 2013, N.J.A.C. 19:31C-3 et seq. (Land Use Rules), and the Reuse Plan contemplate that amendments to the Reuse Plan would be required from time to time. Specifically, the Act authorizes FMERA "to adopt, revise, adjust, and implement... any aspect of the plan."

Reuse Plan amendments allow FMERA to respond to opportunities that arise through the Request for Offers to Purchase (RFOTP) process. The amendment is required to be a report or statement with proposals that include the following:

1. A statement of objectives, assumptions, and standards on which the plan is based;
2. The relationship to Statewide, county and municipal planning objectives;
3. Proposed land uses; and
4. Any significant relationship to municipal and county plans as well as the State Development and Redevelopment Plan.

According to the Land Use Rules, the FMERA Board shall consider the following as guidance when reviewing a proposed amendment:



1. Whether the proposed amendment would result in a material change in the overall development yield or affordable housing obligations of the host municipality, or would result in any negative impact to the Authority's obligations pursuant to the Fair Housing Act of 1985;
2. Whether the proposed amendment would result in any significant adverse impact on other areas of Fort Monmouth;
3. Whether the proposed amendment would substantially impair the intent and purposes of the Reuse Plan;
4. Whether the proposed amendment would have any negative impact to the Authority's obligations pursuant to the Base Realignment and Closure Act (BRAC) and any agreement with the U.S. Army conveying Fort Monmouth property to the Authority; and
5. Whether the proposed amendment would have significant adverse infrastructure ramifications different from those envisioned in the Reuse Plan.

In accordance with the Act and the Land Use Rules, prior to approving an amendment to the Plan, the amendment must be transmitted to the governing body of each host municipality for a 45 day comment period, at the end of which each municipality may provide FMERA with a written report containing the municipality's recommendations. Staff will review the report from each host municipality and prepare a preliminary analysis with reasons for accepting or not accepting the recommendations. This report shall be presented to the Board for its consideration and approval.

#### *Development Contemplated under the Reuse Plan*

The Reuse Plan currently envisions the redevelopment of the Oceanport Reuse Area for approximately 1.75 million square feet of non-residential uses and 720 residential uses. The Reuse Plan 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. The Oceanport Reuse Area also included the commercial/retail reuse of the approximately 32,250 square-foot Fitness Center along a realigned street network, connecting Avenue of Memories to Main Street in Oceanport.

In December of 2012, the FMERA Board approved Plan Amendment #2, which allowed for an alternative development scenario concept for approximately 16 acres in Oceanport for the Patterson Army Health Clinic (Clinic) parcel. This amendment allowed for the option to reuse the Clinic and allowed a medical clinic and offices at the Clinic. The completion of the renovation and sale of this parcel to AcuteCare Health Systems has quickly encouraged continued development in Oceanport.

In January of 2016, the FMERA Board also approved Plan Amendment #4, which allowed for an additional development scenario for Russel Hall and an alternative development scenario for the former community center, known as the Dance Hall, both in the Oceanport Reuse Area. This amendment allowed for the option to reuse Russel Hall for office/research uses, as well as ancillary retail uses; the amendment also allowed for the commercial/retail use of the Dance Hall building, including outdoor dining, and the maintenance of the adjacent Van Kirk Park.



In April of 2016, the FMERA Board approved the transmittal of proposed Plan Amendment #6, which allowed for an additional development scenario for two parcels, totaling approximately 16 acres, in the Oceanport Reuse Area. If approved, this amendment would allow for the relocation of civic/institutional uses to a centralized location along Murphy Drive, for the renovation and reuse of four buildings for the Oceanport Police Department, the Borough Hall, the Department of Public Works, a municipal library, a court house and a potential community center. In addition, the County Shelter will also be located along Murphy Drive, in a 3-acre parcel that includes two buildings slated for demolition in the Reuse Plan. Pending a 45-day public comment period, FMERA staff will present a recommendation to the Board for final approval of this amendment.

*The Proposed Reuse Plan Amendment*

The attached proposed Amendment #7 prepared by the Authority's planning consultant, Phillips Preiss Grygiel, LLC (PPG) encompasses approximately 7.5 acres of Fort Monmouth property in the Oceanport Reuse Area. The proposed Amendment maintains the Plan's land use concepts and plans while permitting a development scenario for the parcel that, if pursued, would result in an additional ±53,000 square feet of commercial recreational uses in Oceanport. The amendment includes a specific definition of commercial recreational uses permitted at the Fitness Center, to include training, indoor sports courts and ancillary retail uses, among others. The proposed amendment also reconfigures the road network to take advantage of the existing streets surrounding the parcel and allow for adjacent parking. The amendment also retains the water tower for certain limited signage. Finally, the amendment clarifies the bulk, area and use-guidelines governing this parcel, as it is currently located in all three development districts in Oceanport. This would apply the requirements of the Center districts, including a 0.25 permitted floor area ratio, lot coverage of 75% and a maximum height of 2 feet or 3 stories.

Staff recommends these changes as the highest and best use for the site based on the results of the Request for Offers to Purchase (RFOTP).

Staff has reviewed the Amendment with regard to the criteria in the Land Use Rules, in N.J.A.C. 19:31C-3.27(c)5, for reviewing a proposed amendment and proposes the following conclusions:

1. This Amendment would not change the total number of residential units planned in Oceanport.
2. This Amendment affects only the Oceanport Reuse Area. As to those portions of the Oceanport Reuse Area not modified by this Amendment, their value and use is increased due to the incorporation of market-driven interest and uses in the parcel that is modified by this Amendment.
3. This Amendment would maintain the overarching land use concepts, objectives and principles of the Reuse Plan, and will ensure consistent bulk requirements across the Fitness Center parcel. Thus, the Reuse Plan would remain a rational coordinated land use plan.
4. This Amendment is consistent with the Authority's BRAC obligations and the Phase 2 Economic Development Conveyance (EDC) agreement currently in negotiation with the Army by aligning the planned uses with actual market-driven responses.



5. The proposed Amendment includes changes to circulation envisioned in the Reuse Plan to address the land use changes. As indicated in the Reuse Plan, impacts on the existing gas, electric, water, wastewater and telephone utilities are to be evaluated at site plan review for a specific project.

In order for the Authority to begin the public process required before the Board considers approval or disapproval of the amendment to the Plan, FMERA staff is requesting approval to transmit the attached proposed Amendment to the governing body of each of the three host municipalities. The proposed changes included in the Amendment currently demonstrate an overall reduction in the passive open space preserved or protected in the Oceanport Reuse Area, namely by adding a paved parking lot where a wetlands preservation park was identified. Staff recommends that the Fitness Center building and proposed expansion be included in the overall active recreation figure, which was not shown as such in the Reuse Plan. The building will be open to the public, albeit through private membership, and will provide for expanded recreation, sports and fitness options for the surrounding area. Staff is working on additional strategies to accommodate passive open space within Oceanport, in accordance with the Open Space Memo.

The Real Estate Committee has reviewed the proposed Amendment and recommends Board approval to transmit the proposed Amendment #7 to the host municipalities for review and comment.

Recommendation

In summary, I am requesting that the Board approve the transmittal to the three host municipalities of the proposed Amendment #7 to the Reuse Plan that would permit alternative development scenarios in Oceanport.

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Bruce Steadman

Prepared by: Candice Valente

**ADOPTED  
May 18, 2016**

Resolution Regarding  
**Approval of the Evaluation Scoring for Local Beneficial Use (LBU) Requests**

**WHEREAS**, the FMERA Board previously approved a Notice of Interest (NOI) evaluation scoring as per the NOI Evaluation Process at its December 2012 meeting; and

**WHEREAS**, the Phase 2 Memorandum of Agreement (MOA), approved by the FMERA Board at its April 2016 meeting, does not include any No-Cost Economic Development Conveyance (EDC) parcels or Public Benefit Conveyance (PBC) parcels; and

**WHEREAS**, as described in the attached memorandum, evaluation criteria and a scoring methodology to evaluate requests from the three host municipalities and the County of Monmouth to acquire real and personal property on the Fort for identified Local Beneficial Uses (LBU) is designed to be used for eligible Phase 2 EDC properties and eligible Phase 1 EDC properties that are not no-cost acquisitions by FMERA; and

**WHEREAS**, to be eligible as an LBU, property must not be under an RFOTP, an RFP, a long-term lease or a sale agreement and cannot be only a portion of a parcel that needs to be preserved as an integrated or functional unit; and

**WHEREAS**, the Real Estate Committee has reviewed the evaluation criteria and scoring methodology for LBU requests and recommends Board approval;

**THEREFORE, BE IT RESOLVED THAT:**

1. For the reasons expressed in the attached memorandum, the Board approves the evaluation criteria for Local Beneficial Use (LBU) requests from the three host municipalities and the County of Monmouth. 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: May 18, 2016

**EXHIBIT 3**



**MEMORANDUM**

TO: Members of the Board

FROM: Bruce Steadman  
Executive Director

DATE: May 18, 2016

SUBJECT: Evaluation Scoring for Local Beneficial Use (LBU) Requests

**Request**

I am requesting that the Board approve the herein described evaluation scoring process for Local Beneficial Use (LBU) requests from FMERA's host municipalities (Boroughs of Tinton Falls, Eatontown, and Oceanport) and the County of Monmouth, to be used if/when they seek to acquire real and personal property on the Fort. This will replace the NOI Evaluation Process, approved by the Board at its December 12, 2012 meeting.

**Background**

As required by the Federal Base Closure Community Redevelopment and Homeless Assistance Act of 1994, as amended (the Redevelopment Act) and its implementing regulations, the Fort Monmouth Economic Revitalization Planning Authority (FMERPA) sought notices of interest (NOIs) for surplus real property (buildings and land) at the former Fort Monmouth as part of the state and local screening process. The process was advertised, and certified notices went to all non-profits identified by the Monmouth County Human Services Department.

State, county and local governments, homeless service providers and other qualified interested parties had an opportunity to submit NOIs for Homeless Accommodations or for Public Benefit Conveyances (PBCs). PBCs require a Federal Agency's sponsorship. The original published deadline for NOIs for the Fort Monmouth Property was March 8, 2007. The deadline for PBCs and NOIs was later changed to November 30, 2007, and the submission process was terminated at that time.

Originally, it was Army's intent to convey NOI land and buildings identified for the public's beneficial use in either of two ways: (1) the Army conveys as a no-cost conveyance, where the Army conveys to FMERA and FMERA conveys to the end user without revenue-sharing with the Army, i.e., a No-Cost Economic Development Conveyance (EDC) transaction; or (2) as a

Public Benefit Conveyance (PBC), where the Army or another federal agency conveys directly to the end user, with the approval of FMERA, at a discount that can be as great as 100%.

The Phase 1 EDC Agreement identified two (2) of the NOI projects as No-Cost EDC transactions: the Tinton Falls School (“CDC Building”), and the Monmouth County Teen Center and Swimming Pool (“Teen Center and Pool”). Although the Phase 1 EDC Agreement required FMERA and the Army to share the proceeds from the sale of property within the Phase 1 EDC footprint, the Phase 1 EDC Agreement also allowed FMERA to pursue the transfer of these two parcels to Tinton Falls and Monmouth County without sharing sales proceeds with the Army.

Given the significant anticipated cost associated with redevelopment of Fort Monmouth (e.g., utility and road repairs/replacements, demolition of obsolete buildings, maintenance/repair of existing buildings, construction of new infrastructure and buildings), estimated to be \$100MM, the FMERA Board adopted staff’s recommendation that no NOI properties be transferred to an end-user without compensation being paid to FMERA, subject to any restriction the federal agency sponsoring a PBC might impose. Such compensation is integral to successful redevelopment of the former Fort property.

The Phase 2 Memorandum Of Agreement (MOA), which was approved by the FMERA Board at its April 20, 2016 meeting, and which will form the basis for the Phase 2 EDC Agreement, does not contain a sharing of sales proceeds component. Additionally, the Phase 2 MOA does not include any No-Cost or PBC conveyances.

Therefore, FMERA staff has created the following criteria and scoring methodology to evaluate requests from our host municipalities (Boroughs of Tinton Falls, Eatontown, and Oceanport) and the County of Monmouth to acquire real and personal property on the Fort for identified Local Beneficial Uses (LBU) by the host municipalities or County. This LBU evaluation scoring process is designed to be used for eligible Phase 2 EDC properties and eligible Phase 1 EDC properties that are not no-cost acquisitions by FMERA, and is intended to replace the NOI Evaluation Process adopted by the FMERA Board at its December 12, 2012 meeting. To be eligible as an LBU, property must not be under an RFOTP, an RFP, a long-term lease, or a sale agreement and cannot be only a portion of a parcel that needs to be preserved as an integrated or functional unit (e.g. the golf course).

The methodology employs seven (7) criteria that FMERA will utilize to determine an LBU’s potential impact on the overall redevelopment effort. Evaluators assign each criterion a grade of up to 10 points, which is then multiplied by that criterion’s weighting factor to arrive at a weighted score. The weighted scores for the seven criteria are then totaled, and this sum reflects the LBU’s relative merit. An LBU can achieve a total weighted score of up to 1,000 points. (Please see the attached sample worksheet.)

FMERA will discount the LBU parcel’s sale price by reducing its appraised value by a percentage factor equal to 5% of its total weighted score, not to exceed 40% of the parcel’s appraised value. Consideration received from the LBU parcel purchaser may take the form of cash, in-kind services (provided over a term up to 5 years) or physical improvements (e.g. roadway or infrastructure improvements). Also, the sale price discount for a Phase 1 EDC



property and the amount of in-kind services and/or physical improvements used to pay the discounted sale price will not allow the cash portion of the sale price to be less than the amount FMERA needs to pay the Army's share of sale proceeds and the Homeless Trust Fund contribution required for the LBU parcel. Further, in seeking Board approval for the sale price discount for a Phase 2 EDC property, staff will be required to confirm that the price discount and the amount of in-kind services and/or physical improvements used to pay the discounted sale price will not impair FMERA's ability to meet its financial obligations.

The steps for the LBU evaluation include: (1) creating a parcel map for the LBU property, based on its proposed use and its relationship to neighboring parcels; (2) obtaining a fair-market value appraisal for the property from FMERA's approved list of appraisers; (3) developing an LBU score for the property, using a Board approved process and worksheet (scoring to be provided by FMERA's three Directors); (4) establishing the discounted LBU Value for which amount FMERA would be compensated, through cash, in-kind services, physical improvements, or a combination thereof; and (5) negotiating transactional details with the LBU parcel purchaser.

FMERA staff will negotiate a Purchase and Sale Agreement and Redevelopment Agreement (PSARA) with the LBU parcel purchaser addressing the transactional details associated with the LBU project, including the time for commencing and completing redevelopment, the parcel purchaser's agreement to use the property for the identified LBU, and the type and timing of any in-kind services; however, the PSARA will be subject to approval by the FMERA Board.

The Real Estate Committee has reviewed the evaluation scoring process and criteria for LBU requests and recommends Board approval.

**Recommendation**

In summary, I am requesting that the Board approve the above described evaluation scoring process for Local Beneficial Use (LBU) requests from FMERA's host municipalities (Boroughs of Tinton Falls, Eatontown, and Oceanport) and the County of Monmouth, to be used if/when they seek to acquire real and personal property on the Fort. This will replace the NOI Evaluation Process, approved by the Board at its December 12, 2012 meeting.

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Bruce Steadman

Prepared by: Bruce Steadman