

**Fort Monmouth Economic Revitalization Authority
Board Meeting
June 15, 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
- Gary Baldwin, Tinton Falls Borough Council President – V
- Jay Coffey, Mayor of Oceanport – V
- Dennis Connelly, Mayor of Eatontown – V
- Tim Lizura, President & Chief Operating Officer, NJ Economic Development Authority – V
- Kenneth J. Kloo, Directory, Site Remediation Program, NJ Department of Environmental Protection
- Gina Fischetti, Chief Counsel, Local Planning Services, NJ Department of Community Affairs
- 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

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 the meeting notice has been duly posted on the Secretary of State's bulletin board at the State House, and the FMERA and the NJEDA websites.

The first item of business was the approval of the May 18th meeting minutes. A motion was made to approve the minutes by Tim Lizura and seconded by Jay Coffey.

Motion to Approve: TIM LIZURA Second: JAY COFFEY
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 welcomed James Moore, Project Manager from the U.S. Army Corp. of Engineers (USACE) who would be giving a presentation regarding the Army's landfills and Army's plan for closure of the landfills with the concurrence of the N.J. Department of Environmental Protection (NJDEP). Mr. Gorman also welcomed Bryant Monroe, Senior Project Manager from the Office of Economic Adjustment (OEA).

Mr. Gorman stated that the meeting agenda called for the public to receive reports from the Staff Advisory Committees and the Statutory Committee meetings. Mr. Gorman stated that the reports are provided to allow for public input and transparency in the conduct of the Authority's effort to implement the Reuse Plan. Mr. Gorman stated that the Board would be entering into Executive Session to discuss the financing negotiations with the County of Monmouth. Mr. Gorman stated that there is one board action: Consideration of Approval of the Third Amendment to the Purchase and Sale Agreement and Redevelopment for Parcels C & C1 in Tinton Falls.

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, 5 minutes per speaker for the second. 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

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

TREASURER'S REPORT

Jennifer Lepore, Senior Finance Officer, stated that a grant application to the Office of Economic Adjustment (OEA) in support of the Authority's operations has been prepared and is currently under review by OEA. The funds being requested are consistent with the budget approved by the Authority's Board of fiscal year 2016 and presented to the State's Office of Management and Budget in support of the Authority's appropriation request.

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

Tom Mahedy of Wall Township asked what the profits are that the Army and FMERA will receive for the sale of Parcels C & C1 and why does the Army receive a larger percentage of profits. Mr. Mahedy asked why Lennar continues to receive extensions. Mr. Mahedy asked why Lennar's licensed professionals and not the NJDEP or Environmental Protection Agency (EPA) are surveying the sites for contamination. Mr. Mahedy asked why the affordable housing units are built in contaminated areas. Mr. Mahedy asked what the carve-outs are and what are the chemicals identified in the carve-outs. Mr. Mahedy asked what type of contaminants are in the septic fields and what is the acreage. Mr. Mahedy asked what benefits Lennar is receiving from the NJEDA or from the Federal Government, and why there is only a \$1500 per job penalty in the agreement. Mr. Mahedy asked what areas on Parcel C1 have contamination, what types of contamination and who is testing the areas.

Mr. Steadman answered Mr. Mahedy by stating that the Phase 1 Economic Development Conveyance (EDC) and the Memorandum of Agreement (MOA) states that the Army and FMERA will split the net proceeds on parcels as they occur, approximately 60% to Army and 40% to FMERA. The Army has a responsibility to

return the sale proceeds to the U.S. Treasury, and FMERA must reinvest the sale proceeds back into the footprint of the Fort property based on the 12 EDC expense categories. For the Phase 2 MOA, FMERA will be purchasing outright the remaining acreage from the Army and therefore, there will be no splitting of the sale proceeds. Mr. Steadman stated that Lennar and other developers have the right to extend during the due diligence period based on their findings during the due diligence, and that this is common to almost every transaction and that Lennar is not being afforded any special advantages that are not available to other prospective purchasers

Kenneth Kloo stated that there are carve-outs at the former septic fields in Parcel C-1. The Army is in the process of pursuing unrestricted No Further Action determinations from the NJDEP for these septic fields.

Mr. Steadman stated that the affordable housing is not being targeted to be developed in contaminated areas, and that there is no different treatment of the affordable housing from the other housing development with respect to any contamination.

Mr. Kloo stated that after the Army's environmental professionals determine that the property has been fully remediated, the NJDEP reviews the associated information in its own evaluation of the property, and either concurs with or refutes the information from the Army. If NJDEP concurs with the Army's findings, then NJDEP would make a determination of No Further Action (NFA). Mr. Kloo stated that the developer also conducts their own assessment of the property's environmental condition, usually with an independent and licensed environmental or engineering professional to determine if there are any environmental issues that need to be addressed before purchasing the property. This is completed in the due diligence period.

Mr. Steadman answered Mr. Mahedy by stating that FMERA staff did not have at hand during the meeting the details of the various carve-outs regarding contaminants and concentration levels, but that such information would be provided to Mr. Mahedy in an email or would be posted on the FMERA website. Mr. Steadman stated that the Lennar is near completion of their due diligence for Parcel C and due to the unique location of Parcel C1, Lennar has determined that they will need to extend their due diligence for C1.

Mr. Steadman stated that the \$1,500 penalty for non creation of jobs is a standard penalty in most of FMERA's contracts. Mr. Steadman stated that he is not aware of any Federal benefits that were given to Lennar for the project. Tim Lizura stated that he is not aware of any pending incentives from the State through NJEDA to Lennar. Mr. Steadman stated that any information on what consulting firm is investigating the parcel on behalf of Lennar is considered confidential at this time, but that information related to their results would be available when FMERA and Lennar close on the property.

PRESENTATION FROM ARMY REPRESENTATIVE

Jim Moore, Project Manager, U.S. Army Corps of Engineers gave a presentation which is attached hereto. Mr. Steadman thanked Mr. Moore for his excellent help and responsiveness on the landfills, and also on the many other remediation projects at the Fort that Mr. Moore oversees.

EXECUTIVE DIRECTOR'S REPORT

Kara Kopach, Senior Development Officer, stated that FMERA and the Army have held 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. At the April 2016 meeting of the Board, staff presented a substantially final form of the Phase 2 MOA, which the Board approved. FMERA was notified this week that the review of the MOA and EDC package is completed and formal notice will follow. FMERA is working toward a late summer 2016 closing with the Army. The public comment period for the Phase 2 Finding of Suitability to Transfer, the

Army's environmental clearance document, closed at the end of May, and the Army is in the process of preparing its responses.

Update on RFPs and Contracts

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

Auctioneer

- There has been no auction activity since November 10th. We are planning on some large auctions in the fall after the property transfers. The Auctioneers will be busy this summer inventorying and staging the Phase 2 personal property including vehicles and equipment as well as the DMS100 digital telephone switch in Vail Hall.

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.
- Engineering and design is underway for the 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. FMERA recently received a presentation from JCP&L in relation to the proposal to modernize and upgrade transmission lines in Monmouth County, which will benefit nearly 214,000 JCP&L customers, including future tenants and developers of Fort Monmouth property.

Suneagles Golf Course

- LINX Golf Management, FMERA's operator, reports that "The second quarter got off to a poor start with unseasonably colder weather which kept rounds down and kept the greens from healing after aeration. We are now playing catch up. Through the second half of June business has stabilized, rounds are increasing and the course is in great shape. We are getting a lot of compliments on a daily basis. Overall though, we are still down 1,200+ rounds compared to last year. We hope to catch up during this busy golf season. The groundskeepers used a new chemical regimen and have improved some of their methods which accounts for how nice the course looks and compliments we are receiving.

Property Management/Maintenance

- Our property management/maintenance team, Chenega Operations Services and the Army caretaker staff has been busy keeping our property presentable. Grass cutting season is in full swing they are prepping buildings for marketing and performing summer maintenance chores such as roof inspections and gutter and drain cleaning. We are also preparing for the transition to maintaining the Phase 2 property when transferred.

Marina

- Marina at Oceanport, FMERA's operator, reports: "Summer started off with a bang at the Marina. Memorial Day Weekend was beautiful and allowed customers to enjoy food, drinks and entertainment on the deck, while soaking in the beautiful view. Our lunch business continues to grow and we hope to continue to get the word out that we can provide either a quick business lunch or a leisurely lunch for those who want to relax. We also have brought back the raw bar for the summer. Boats are continuing to be

docked at the marina and we look forward to the dock and diners this upcoming season. As we approach our one year anniversary we are excited about this summer and continue to do our best to serve the community.”

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 15th and 10 responses were received. An evaluation committee will be evaluating the proposals for compliance.

Candice Valente, Senior Marketing Officer gave the following 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 29th, 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 27th.

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 has executed contracts on another four 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.
- Parcel F-3, the former gas station and convenience store along Hope Road, which the Monmouth County Park System will utilize in conjunction with the adjacent Recreation Center and Swimming Pool, to expand services and public open space amenities.
- Recreation Center and Swimming Pool, under contract to the Monmouth County Park System, is currently open to the public through a lease with the County.

FMERA issued an RFOTP for the Charles Wood Fire Station on May 6th, 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 8th.

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.

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 once again held a celebration in honor of Flag Day, on June 14th. The event was well-attended by local veterans, members of the public, Fort Monmouth tenants, including TetherView and AcuteCare employees and visitors. Photos will be included in this month's newsletter and available online shortly.

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

Mr. Steadman stated that FMERA and the Monmouth County Improvement Authority have held two meetings to discuss the Phase 2 financing, and that the meetings have gone well with FMERA staff answering many questions asked by the County representatives. This also included FMERA's submission of a financial pro forma, showing anticipated cash flows 2016 through 2025 based on anticipated property sales.

Mr. Steadman thanked Bryant Monroe, Senior Project Manager from the Office of Economic Adjustment for his personal help and oversight with FMERA's grant, and for OEA's excellent help and support as FMERA's partner for the last several years.

Mr. Steadman recognized Ms. Linda Range, NJDEP Supervising Environmental Specialist in the Bureau of Case Management. Ms. Range is the NJDEP case manager for the Army's case file for Fort Monmouth. As such, Ms. Range reviews all Army reports for Fort Monmouth and provides NJDEP's responses. Mr. Steadman noted that Ms. Range is an outstanding resource for the NJDEP, and is a highly respected environmental professional with a reputation for responsiveness, straightforwardness, and integrity. Mr. Steadman thanked Ms. Range for her ongoing help and support.

Mr. Steadman listed the following action 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
- Continued collaboration with the NJEDA Trenton Office on marketing and business development opportunities

Mr. Steadman thanked the 3 Mayors for the continued support that FMERA receives from the 3 Boroughs, and Ms. Burry for the continued support that FMERA receives from the County of Monmouth.

COMMITTEE REPORTS

a) AUDIT COMMITTEE (ROBERT LUCKY, CHAIRMAN)

Robert Lucky stated that the Committee did not meet this month, but will be meeting on July 14th.

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

Chairman Gorman stated that the Committee met on June 7th and discussed the following:

- Discussion regarding the amendment to Lennar's PSARA which provides for the extension of due diligence for Parcel C and C1. The Committee reached a consensus and agreed to recommend Board approval of the proposed amendment to the PSARA for Parcels C and C1.
- Discussion regarding the Homeless Veteran's project.
- Update on the negotiations related to the financing of the Phase II purchase from the Army, and FMERA's meetings with the County and the Monmouth County Improvement Authority to discuss the terms of the loan agreement.
- Discussion regarding the Memorandum of Understanding with the NJEDA related to the demolition engineering for the Myer Center.
- Other Issues discussed:
 - Avenue of Memories
 - Rose Court Parcel
 - Suneagles Golf Course
 - Current & Upcoming RFOTPs

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

Kenneth J. Kloo stated that the Committee met on June 6th and discussed the following:

- Update on the Mandatory Conceptual Review (MCR) received from TetherView Property Management, LLC for the Russel Hall project. The Environmental Features Checklist provided by the applicant demonstrates that the project does not impact any environmental features identified in the Natural Resources Inventory, therefore, no further action is required by the Committee.
- Summary of the sampling performed at Parcel 82 which has been identified as a carve-out due to contamination of soil with PCBs; however, the DEP Case Manager noted that the DEP has received no information from the Army concerning known polycyclic aromatic hydrocarbon (PAH) contamination at this parcel. DEP will review the Army's action plan for the carve-out, and will pursue a follow-up from the Army should PAHs not be addressed. The Committee discussed the Army's response to this parcel and others with PAHs in the sample findings.
- The DEP Case Manager briefly described the DEP's comments to the Phase II Finding of Suitability to Transfer (FOST), which was posted for public comment until May 31, 2016.
- Discussion regarding the Army's delineation efforts related to the Charles Wood Area landfill, FTMM-25. The DEP had previously requested the Army further investigate and address debris found to the north and east of the historical landfill boundaries. The Army has advised the DEP they will excavate all debris as well as a minimum of 1 foot of the underlying soil. The DEP Case Manager noted that DEP has received and completed the review of the RI/FS report for the FTMM-08 landfill.
- Update of the status of the Phase I and II utility infrastructure conveyance, upgrades and improvements. The Committee discussed plans to reuse existing infrastructure where feasible, and the timeline for improvements to systems requiring upgrades.

- Update on the current Requests for Offers to Purchase (RFOTPs), including the Charles Wood Fire Station in Tinton Falls and the Squier Hall Complex in Oceanport.
- b) HISTORICAL PRESERVATION STAFF ADVISORY COMMITTEE (BRUCE STEADMAN, INTERIM CHAIRMAN)

Bruce Steadman stated that the Committee did not meet this month, but will be meeting in June to discuss the Mandatory Conceptual Review (MCR) for Russel Hall.

- c) HOUSING STAFF ADVISORY COMMITTEE (GINA FISCHETTI, CHAIRPERSON)

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

- d) VETERANS STAFF ADVISORY COMMITTEE (FREEHOLD LILLIAN BURRY, CHAIRPERSON)

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

BOARD ACTIONS

- A) The first item before the Board was the consideration of approval of the Third Amendment to the Purchase and Sale Agreement and Redevelopment for Parcels C & C1 in Tinton Falls.

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

Candice Valente read a summary of the Board memo.

The resolution is attached hereto and marked Exhibit 1.

OTHER ITEMS

There were no other items before the Board.

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

Tom Mahedy of Wall Township stated that the public is bullied as to the limited public comment periods, and should have complained that the tax payers should not be responsible for the funding that FMERA will be receiving from the Monmouth County Improvement Authority for the purchase of the remaining Fort property. Mr. Mahedy complained about the Army's Restoration Advisory Board (RAB) meetings and their cover-ups and the hacking of the RAB website. Mr. Mahedy asserted that there will be contamination at the former Child Development Center during the demolition of the Myer Center. Mr. Mahedy asserted that the gas station near the Teen Center is contaminated.

Mr. Steadman stated that it has been noted on many occasions at previous FMERA Board meetings that the RAB is an Army affiliation and that FMERA has no responsibility for it. Mr. Steadman reminded the attendees that the public comment process that has been adopted by FMERA has grown out of previous methods that have been tried, and designed to make the podium available to all attendees on a fair and equitable basis so that it is not monopolized by one individual. The current procedure is modeled after other public entities throughout the State. Mr. Steadman noted that Mr. Mahedy's assertions about contamination have been addressed many times previously.

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 Tim Lizura.

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 Financing Negotiations with the County of Monmouth.

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 8:50p.m. and opened the Public Session.

There being no further business, on a motion by Robert Lucky seconded by Lillian Burry and unanimously approved by all voting members present, the meeting was adjourned at 8:52.

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.


Richard Harrison – Assistant Secretary

**ADOPTED
June 15, 2016**

**Resolution Regarding
Authorization for FMERA to Amend the Purchase and Sale Agreement and
Redevelopment Agreement with Lennar for Parcels C and C1**

WHEREAS, on March 26, 2013, FMERA issued and publicly advertised a Request for Offers to Purchase (RFOTP) for Parcel C, an approximately 39-acre lot, and a RFOTP for Parcel C1, a 12-acre lot, in connection with the planned redevelopment of Parcels C and C1 in Tinton Falls; and

WHEREAS, Lennar Corporation (Lennar) received the highest score for their proposal for Parcel C and the highest score for their proposal for Parcel C1, and Lennar also submitted the highest price proposals for both Parcel C and C1; and

WHEREAS, at the Authority's August 26, 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 Lennar's payment of \$12 million for Parcel C and \$3.2 million for Parcel C1; closing will occur within 30 days of satisfaction of the conditions precedent, which include Lennar completing due diligence and obtaining all approvals necessary to develop the project, receipt of a final remediation document from either the New Jersey Department of Environmental Protection or the purchaser's Licensed Site Remediation Professional, and an amendment to the Reuse Plan to accommodate the project; and

WHEREAS, the PSARA was executed on December 1, 2015 and Lennar subsequently began their due diligence activities, which required an expanded timeline extended through June 1, 2016 by the Executive Director; and

WHEREAS, Lennar has identified additional environmental testing required for Parcel C1 but is ready to seek corporate approval to proceed with Parcel C development based on a review of the due diligence findings; and

WHEREAS, negotiations with Lennar have lead to the attached amendment to the PSARA with the following revisions to material terms in the PSARA: (1) separation of the due diligence periods of Parcels C and C1; (2) renewal and extension of the Parcel C due diligence period through on or about July 8, 2016; (3) renewal and extension of the Parcel C1 due diligence period for an additional 8 weeks, through August 31, 2016; (4) all time periods of the PSARA which run from the due diligence period shall be separated with respect to Parcel C and Parcel C1; and (5) in the event that its due diligence investigations cause Lennar to determine that Parcel C1 is not suitable for its intended use, Lennar shall have the ability to terminate the agreement with respect to Parcel C1 and proceed with the acquisition and redevelopment of Parcel C; and

WHEREAS, the purchase price will be allocated between Parcel C and Parcel C1 as provided in the offer to purchase for each parcel: \$12 million for Parcel C and \$3.2 million for Parcel C1, and the full deposit will be applied to the purchase price of Parcel C if the Parcel C1 purchase is terminated; 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 Lennar Corporation for Parcel C and Parcel C1 in Tinton Falls, 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 Lennar Corporation as the purchaser of Parcel C and Parcel C1.

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: June 15, 2016
ATTACHMENT

EXHIBIT 1