



DISCOVER · INNOVATE · TRANSFORM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director and Secretary

DATE: June 17, 2015

SUBJECT: Agenda for Board Meeting of the Authority

1. **Call to Order – James V. Gorman, Chairman**
2. **Pledge of Allegiance**
3. **Notice of Public Meeting - Roll Call – Bruce Steadman, Secretary**
4. **Approval of Previous Month’s Board Meeting Minutes**
5. **Approval of Previous Month’s Executive Session Minutes**
6. **Welcome – James V. Gorman, Chairman**
7. **Secretary’s Report**
8. **Treasurer’s Report**
9. **Public Comment Regarding Board Action Items**
10. **Executive Session – OPMA EXEMPTION N.J.S.A. 10:4-12b(7):**
 - Discuss pending contract negotiations
11. **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

12. **Committee Reports**

- Audit Committee – Chairman TBD
- 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

13. **Other Board Actions**

- Consideration of Approval of a Purchase and Sale Agreement and Redevelopment Agreement for the Officer Housing Parcel
- Consideration of Approval of Purchase and Sale Agreement and Redevelopment Agreement for the Fitness Center
- Consideration of Approval to Make the Barker Circle Complex, the Lodging Area, Allison Hall and Adjacent Properties, and the Commissary Available through the Offer to Purchase Process
- Consideration of Approval for an extension to September 15, 2015 of the Use and Occupancy Memorandum of Understanding (MOU) for the Megill Housing Parcel in Eatontown

14. **Other Items**

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

- Responses to questions submitted online or in writing

16. **Adjournment**

MINUTES OF THE MEETING

I. Members of the Authority present:

- James V. Gorman, Chairman, Fort Monmouth Economic Revitalization Authority (FMERA) - V
- Dr. Robert Lucky, Public Member – V
- Michael Collins, Assistant Counsel, Authorities Unit, Office of the Governor – V
- John Tobia, Monmouth County Director of Public Works and Engineering – V
- Gerald Turning, Mayor of Tinton Falls – V
- Michael Mahon, Mayor of Oceanport – V
- Dennis Connelly, Mayor of Eatontown – V
- Tim Lizura, President and COO, NJ Economic Development Authority (NJEDA) – V
- John Raue, Senior Policy Advisor to the Commissioner, NJ Department of Labor & Workforce Development (DOL)
- Helene Rubin, Section Chief, Division of Statewide Planning, NJ Department of Transportation (DOT)

V - Denotes Voting Member

Members of the Authority Not Present:

- Kenneth J. Kloo, Director, Site Remediation Program, NJ Department of Environmental Protection (DEP)
- Gina Fischetti, Chief Counsel, Local Planning Services, NJ Department of Community Affairs (DCA)

Also present:

- Bruce Steadman, Executive Director, FMERA
- Gabriel Chacon, Deputy Attorney General (DAG)
- FMERA staff

II.

The meeting was called to order by Chairman James V. Gorman at 7:03p.m. who led the meeting in the Pledge of Allegiance.

Mr. Steadman then began the meeting by stating that on behalf of the FMERA team; “I want to express our sincere sadness at the passing of Bob Ades. Bob was a tireless and committed Board member, Vice-Chair, and Chairman of the Audit Committee and Historical Staff Advisory Committee. I also want to express our admiration and appreciation of Bob’s unflagging devotion to several important FMERA issues, including marketing, technology initiatives, historical preservation, and prevailing wage. Bob was a loved and respected family man, and possessed the highest level of character and integrity. We will certainly miss Bob’s presence, but his contributions to FMERA will yield benefits for many years to come”. This was followed by a moment of silence in honor of Bob Ades.

In accordance with the Open Public Meetings Act, FMERA Secretary Bruce Steadman announced that notice of the meeting was sent to the Asbury Park Press and the Star Ledger at least 48 hours prior to the meeting, that a meeting notice has been duly posted on the Secretary of State's bulletin board at the State House, and the FMERA and the NJEDA websites.

The first item of business was the approval of the April 15th meeting minutes. A motion was made to approve the minutes by Tim Lizura and seconded by Mayor Mahon.

Motion to Approve: TIM LIZURA Second: MAYOR MAHON
AYes: 9

The second item of business was the approval of the April 15th Executive meeting minutes. A motion was made to approve the minutes by Tim Lizura and seconded by Michael Collins.

Motion to Approve: TIM LIZURA Second: MICHAEL COLLINS
AYes: 9

III. WELCOME

Chairman James V. Gorman welcomed attendees to the meeting. Mr. Gorman stated that copies of the Board package were available at the door, and the Board package was posted to the FMERA website in the afternoon to give the public the opportunity to review the information in advance of the meeting.

Mr. Gorman stated that the meeting agenda called for the public to receive reports from the Staff Advisory Committees and the Statutory Committee meetings. Mr. Gorman stated that the reports are provided to allow for public input and transparency in the conduct of the Authority's effort to implement the Reuse Plan. Mr. Gorman stated that there are three board actions: consideration of approval of the Authority's Natural Resource Inventory (NRI); consideration of approval of suggested implementation of Open Space Inventory for redevelopment of Fort Monmouth; and consideration of approval of lease with the Army and sublease with FM Partners, LLC for the Fitness Center. Mr. Gorman stated that the Board would be entering into Executive Session to discuss Attorney Client privilege matters.

The Chairman went on to state that there will be two public comment periods at the meeting based on the Authority's public meeting protocol. The Chairman reiterated his request for the public's cooperation in keeping comments as brief as possible. The Chairman continued by stating that in his role as Chairman he is required to conduct an orderly meeting and complete the meeting agenda in a reasonable time period. The Chairman concluded by stating that FMERA continues to welcome the public's constructive comments and ideas.

IV. SECRETARY'S REPORT

Bruce Steadman stated that he had nothing to report.

V. TREASURER'S REPORT

Jennifer Lepore, Senior Finance Officer, stated that the 2014 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 2014 financial data has been submitted to the Federal Audit Clearinghouse in compliance with OMB Circular A-133 requirements. Ms. Lepore stated that the 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 2015 and presented to the State's Office of Management and Budget in support of the Authority's appropriation request.

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

Tom Mahedy of Wall Township asked if the RFOTP for the Fitness Center was reissued since there was only one proposal received. Mr. Mahedy asked if the offer amount was consistent with what FMERA was asking for the property. Mr. Mahedy asserted that the public should be given information regarding FM Partners, LLC, the proposers for the Fitness Center, and if they have any relationship with any member of the Board, and what are their political contributions. Mr. Mahedy asserted that the Natural Resources Inventory (NRI) does not identify specific locations of the sensitive areas. Mr. Mahedy asserted that the Army and FMERA want to cover up the dumps and use them for open space and that contamination could leak out of those areas. Mr. Mahedy stated that he has concerns with the Environmental Staff Advisory Committee being the sole Committee to review the NRI and the Open Space Inventory.

Beatrice Priestly of Eatontown stated that the new FMERA website was fantastic and excellent. Ms. Priestly asked if there was a reason why there was a minimum bid for the Fitness Center. Ms. Priestly stated that more proposals would be received if a minimum was not in the RFOTP.

Mr. Steadman answered Mr. Mahedy by stating that questions regarding the Fitness Center proposal are confidential until the execution of a final contract with FM Partners, LLC. Mr. Steadman stated that the RFOTP was not reissued as the FM Partners proposals met all of the requirements of the RFOTP. Mr. Steadman stated that each proposer is required to complete and submit Financial Disclosure forms with the proposal that are approved by N.J. Treasury. Mr. Steadman stated that with regards to the NRI, it has been addressed in a very thorough process. Mr. Steadman stated that each developer is required to submit a Mandatory Conceptual Review (MCR) Application which includes environmental issues which is then compared against the NRI. The checklist is then reviewed and if there are any environmental issues impacted, the developer needs to demonstrate how they intend to mitigate the impact. The MCR and NRI are also submitted to the host Borough's Planning Board. Mr. Steadman stated that with respect to the Open Space memo, it is the Army's intention to receive No Further Action (NFA) letters from the NJDEP for each of the existing landfills and the closure plan that Army is developing with the NJDEP review and input. The Open Space memo includes the landfill areas as open space and not as active recreation or any other category.

Mr. Steadman answered Ms. Priestly by stating that RFOTPs may or may not included a minimum bid requirement, depending on what the parcel is and the marketability of the parcel.

VII. EXECUTIVE DIRECTOR'S REPORT

Rick Harrison, Director of Facilities Planning, stated that as reported at prior meetings, the Phase 2 Economic Development Conveyance application submitted on July 1, 2014, is currently under review by the Army as well as a draft Memorandum of Agreement (MOA). The Army has provided a draft Finding of Suitability to Transfer (FOST), which has gone through a rigorous review by staff and the State Department of Environmental Protection (DEP). Staff continues to have regular conference calls with Army and Army Corps of Engineers representatives, our Special BRAC Counsel and DAGs, and officials at NJDEP and the Army's environmental consultants. Due to ongoing review of both the FOST and the MOA, our goal now is to seek approval from the Board to execute the Phase 2 MOA with the Army this summer.

Mr. Harrison stated that the local Army representatives and their contractor work force continue to provide excellent support to our mission and; "I would like to recognize Wanda Green, the Base Environmental Coordinator for her support and service over the last four years, and wish her well on her new position out in San Diego, CA with the US Navy".

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

Auctioneer

There were two auctions held in April. On April 21st there was an auction at the Pulse Power Building complex and the auctioning of some rail cars that were located in the Fire Training area. This was followed by an auction at building 2705 and 2718 on April 29th. Preliminary results indicate FMERA's revenue after expenses will be around \$45K. Preparations for the next auctions of Phase 1 property are underway. The next auction will include Buildings 2539 and 2540 and possibly other facilities. More information on the auction and auction catalogue is available at <http://www.theauctioneersgroup.com/>. A public, community-focused, small-lot auction will be planned for the fall.

Utilities

FMERA is continuing to plan for upgrades to utility systems and working with the public utilities and our subcontractors to ensure required utilities are safe and operational. Staff and the Borough of Oceanport Engineer, under a reimbursement agreement between FMERA and the Borough, will be designing and applying for water main extensions from NJ American Water to service the Main Post as development comes on-line. FMERA is also working with the Tinton Falls Engineer to expedite a water main extension and to reconnect and upgrade the sanitary sewer line to service building 2525. A draft agreement with JCP&L to own, operate, and maintain the CWA power system is under review. FMERA hopes to bring the agreement to the Board at the June meeting for approval. FMERA continues to study and plan for sanitary sewer upgrades with Tinton Falls, the Eatontown Sewerage Authority, and Two Rivers Water Reclamation Authority. FMERA had a productive meeting with officials from TRWRA on May 18th to explore a path forward to upgrading and reconfiguring the sanitary sewer system on the Main Post.

Suneagles

Mr. Harrison toured the golf course on May 6th. He reported that the fairways looked great, the bunkers were all edged and have been replenished with sand and the greens were all aerated. The first tee box was prepped for new sod and additional landscaping. Feedback from members and players is that the course has not looked this good in years. The operator found some new drains which they cleared which keep the irrigation pond under control and prevents overflowing onto the course. The operator believes the course will look and play the best ever and the amount of play has been encouraging.

Property Management/Maintenance

Our property management/maintenance team, Chenega Operations Services, has been quite busy keeping our property presentable and secure, for marketing purposes and in keeping our employees and tenants safe and comfortable. They are still cleaning up the remnants of the severe winter and have the transition of the property and facilities to warmer weather mode well under way. We would also like to recognize the Monmouth County Highway personnel and the Borough of Oceanport DPW for their help in supporting our mission.

Marina

The Marina opened for marina operations on May 1st for the season. The operator had hoped for a Memorial Day weekend opening of the food and beverage operation, however, they still have some work to do to get the facility ready. The operator had a pre-application meeting with the DEP on May 12th and will be submitting the CAFRA application this week. The notice of violation has been reissued with the two Army related violations being addressed to the Army, leaving the third issue regarding the CAFRA application as the one remaining issue to be resolved by our operator.

Carrying on a tradition here at Fort Monmouth, FMERA and the Army will be celebrating Flag Day and the 240th Birthday of the US Army on June 14th, at 10:00a.m. All are welcome, especially children to help us finish off the birthday cake, once it is ceremoniously cut by sword by the oldest and youngest Army active duty or veteran present. The ceremony will take place at the Flag Pole at the Main Gate.

Dave Nuse, Director of Real Estate stated that FMERA continues to see an increased level of interest in the Fort and its properties since the beginning of the year. FMERA has responded to that demand by issuing 9 Requests for Offers to Purchase so far in 2015. We currently have 6 RFOTPs open for proposals. Following is an update:

In Tinton Falls, this is one RFOTP currently posted on our website, for

- the former Child Development Center, a 20,000 sf facility built in 1996 that's suitable for day care, preschool or office use. Proposals are due May 27th.

FMERA currently has proposals in hand and under evaluation on 5 Tinton Falls properties: the Satellite Drive Parcel, a 1.5 acre building lot; the Charles Wood Fire Station; Parcel F-2, the proposed Veterans Housing site; Parcel F-3 the 3.5 acre gas station and convenience store site on Hope Road; and Building 2525, an 86,000 sf office building.

FMERA is currently in negotiations with prospective redevelopers on 3 other parcels in Tinton Falls:

- Parcel C, a mixed use town center project to consist of 243 units of housing and approximately 50,000 sf of retail space, and Parcel C1, planned for 45 single family homes, where Lennar Corporation was selected for exclusive negotiations;
- Pistol Range, where the Board has selected Kiely Realty LLC as purchaser.

FMERA is currently in the process of executing a Purchase and Sale & Redevelopment Agreement with Pinebrook Commerce Center LLC for the Fabrication Shops, 45,000 sf of light industrial and flex space on Pinebrook Road.

In Eatontown, there are two open RFOTPs on our website,

- The Howard Commons site on Pinebrook Road, zoned for 275 townhouses and up to 15,000 sf of retail space, where the due date has been extended to June 10th;
- The expanded Parcel B, the mixed-use town center property fronting Route 35, calling for up to 250,000 sf of retail space and 302 housing units on about 77 acres, with proposals also due on the 10th of June.

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

In Oceanport, there are 3 open RFOTPs posted on our website, for:

- the Main Post Chapel, a 16,000 sf facility that includes a 600-seat sanctuary, with proposals due June 3rd;
- the Nurses Quarters, a 24-unit residential complex on Main Street adjacent to the former Patterson Army Hospital, also due on June 3rd;
- and the 16,000 sf recreation building on Brewer Avenue known as the Dance Hall, projected for commercial reuse, with a due date of June 10th.

We received 3 proposals on April 13th for Russel Hall, the 40,000 sf former Garrison Headquarters building. Those proposals are currently under review by FMERA's evaluation committee.

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

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

Please visit our new website, www.fortmonmouthnj.com, for more information and to obtain copies of our RFOTPs.

Candice Valente, Communication and Planning Officer stated that FMERA's new website, www.fortmonmouthnj.com, went live on April 15th. Staff has submitted the website to the International Economic Development Council's 2015 Excellence in Economic Development Awards, in the category of General Purpose Website. FMERA continues to work with our marketing consultant on the refinement of a number of branding and marketing materials.

As always, FMERA continues to work with Cushman & Wakefield to market the Fort property. Cushman has updated their marketing flyers and created new flyers for the parcels currently out for proposals. These flyers are distributed by Cushman to real estate brokers and prospects through email blasts, with a new message or property featured weekly. Please refer to our website for more information.

Bruce Steadman stated that he would like to welcome the Oceanport Police Department (OPD) to the meeting. Mr. Steadman stated that the NJ State Police did an excellent job covering our Board meetings, and we are now looking forward to continuing our excellent working relationship with the OPD.

Mr. Steadman stated that the 2014 Audited Financial statements and the 2014 Annual Report have been finalized and can be found on the FMERA website.

Mr. Steadman that FMERA had good meetings with Tinton Falls, Oceanport and Eatontown and also excellent support from the County, during the month.

Mr. Steadman stated 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 collaboration with the NJEDA Trenton Office on marketing and business development opportunities

VIII. COMMITTEE REPORTS

a) AUDIT COMMITTEE (CHAIRMAN – TBD)

Bruce Steadman stated that the Committee did not meet this month.

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

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

- Review of Open Space Inventory prepared by Phillips Preiss Grygiel (PPG). The Committee advised FMERA staff to implement the memo to be used as a guide for open space management at the Fort including the ongoing responsibility of open space preservation once all property is transferred to private owners. The Committee reached a consensus and agreed to recommend approval of all the Open Space Memo to the Board.
- Review of the Natural Resource Inventory (NRI), which requires Board approval under the Authority's Land Use Regulations. The Committee reached a consensus and agreed to recommend approval of the NRI to the Board.
- Review of the terms of the lease for the Fitness Center from the Army and sublease to FM Partners, LLC. The lease and sublease will allow work to commence during the negotiations of a Purchase and Sale Agreement. The Committee reached a consensus and agreed to recommend approval to lease the Fitness from the Army and sublease it to FM Partners.
- Review of the Phase 2 properties where FMERA has received interest in several parcels. The Committee discussed staff's recommendation to issue RFOTPs for these parcels.
- Discussion regarding a potential RFOTP for several historic properties in Oceanport.

- Discussion regarding a potential project for the buildings in the 600 Area of Oceanport, which would include a lease with the NJ Economic Development Authority (EDA) and a sublease for the driverless technology initiative, which includes both a non-profit and for-profit entity.
- Review of estimates prepared by Cushman & Wakefield (C&W) for a broker's opinion of value for Parcels C and C1.
- Update on Megill Housing
- Update on Phase 1 Auctions
- Update on Parcel F-2
- Update on Building 2525

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

Bruce Steadman, on behalf of Kenneth J. Kloo, stated that the Committee met on April 6th and discussed the following:

- Overview of the current Requests for Offers to Purchase (RFOTPs).
- Overview and update of the Natural Resource Inventory including the Environmental Features checklist.
- Overview and update on the Open Space Memo.
- Discussion regarding a draft of the Finding of Suitability to Transfer (FOST) for all of the Phase 2 property.
- Discussion regarding the ConRail remediation, FMERA is working with ConRail to determine if remediation could be performed to meet residential standards.
- Discussion regarding the lime pit located in the Myer Center. The lime pit is located in a carve-out of relatively small acreage still owned by the Army. The DEP has received a RIFS for the site and the Army is preparing a Remedial Investigative Report (RIR).
- Discussion on the 35-40 potential carve-outs of the Phase 2 property which total approximately 60 acres.
- Discussion regarding the USGS monitoring well. The NJGS recommended closure of the well.
- Discussed the differences between residential and non-residential remediation standards.
- Discussion regarding the Main Post water and sewer infrastructure.

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

Bruce Steadman stated that the Committee is scheduled to meet on May 27th.

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

Bruce Steadman, on behalf of Gina Fischetti, stated that the Committee met on May 5th and discussed the following:

- Discussion regarding Officers Housing and a status update on RPM's development of the property. RPM has applied for HFMA funding. The Northern portion of the property will be 68 For Sale units and the Southern portion will be 48 rental units with 28 for affordable housing. The Mandatory Conceptual Review has been completed and submitted for review.
- Discussion regarding Howard Commons and the reissuance of the RFOTP. The timeline between the issuance of the RFOTP and closing with the developer will reflect the urgency to demolish the existing buildings. There have been changes to the RFOTP which will accept alternate proposals regarding the types of housing to be developed.
- Discussion regarding Permanent Supportive Housing
- Discussion regarding Parcel B and the reissuance of the RFOTP. The RFOTP includes additional acreage for development.
- Update on upcoming RFOTPs including the Expo Theater, Bowling Center, Barker Circle and Allison Hall.

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

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

IX. BOARD ACTIONS

A) The first item before the Board was the consideration of approval of the Authority's Natural Resource Inventory.

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

John Tobia suggested the term "deer burrows" be removed from the NRI as being an inaccurate term.

A motion was made to approve by Tim Lizura and was seconded by Mayor Mahon.

Motion to Approve: TIM LIZURA Second: MAYOR MAHON
AYes 8

B) The second item before the Board was the consideration of approval of suggested implementation of Open Space Inventory for Redevelopment of Fort Monmouth.

Candice Valente read the resolution which is attached hereto and marked Exhibit 2.

A motion was made to approve by Tim Lizura and was seconded by Michael Collins.

Motion to Approve: TIM LIZURA Second: MICHAEL COLLINS
AYes 8

C) The third item before the Board was the consideration of approval of a Lease with the Army and Sublease with FM Partners, LLC for the Fitness Center.

Candice Valente read the resolution which is attached hereto and marked Exhibit 3.

A motion was made to approve by Mayor Mahon and was seconded by Tim Lizura.

Motion to Approve: MAYOR MAHON Second: TIM LIZURA
AYes 8

X. EXECUTIVE SESSION

The next 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):

A motion was made to enter into Executive Session by Michael Collins, seconded by Tim Lizura and unanimously approved by all voting members present.

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): Attorney Client Privilege Matter.

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

The Board returned to public session at 8:06.

XI. OLD BUSINESS (TABLED MOTION)

John Tobia, based on advice from legal Council received during Executive Session withdrew Ms. Burry's 2nd on a tabled motion left over from the April Board meeting.

XII. OTHER ITEMS

There were no other items before the Board.

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


Tom Mahedy of Wall Township asserted that the term carve-out is an incorrect term and that these are areas of contamination. Mr. Mahedy asserted that the Veterans parcel is contaminated. Mr. Mahedy complained about the Army's Restoration Advisory Board (RAB) and Wanda Green, Army's Environmental Site Manager, who is retiring. Mr. Mahedy questioned why the Oceanport Police were at the meeting in place of NJ State Police. Mr. Mahedy complained that the new FMERA website was very good for corporations and there is a cover up which allows no public involvement. Mr. Mahedy asserted that the Oceanport Police should be notified as to the contamination at their headquarters.

Mr. Steadman answered Mr. Mahedy by stating that the term carve-out is used by surveyors and engineers to signify a portion of a map that is saved for later discussion. Mr. Steadman stated that Wanda Green was very well respected, and has a reputation of honesty in her position with the Army. Mr. Steadman stated that it has always been the intention that the three host boroughs would eventually take over the responsibilities of policing for each of their respective towns. Therefore, the presence of the OPD at the Board meetings was both anticipated and appreciated.

Mayor Mahon stated that the Oceanport Police Department is happy to have their headquarters at the Fort and it is a good sign for the police from the host municipalities having a presence at the Fort. Mayor Mahon also stated that Oceanport conducted a third party testing of the water at the OPD and it was determined that the water is safe for drinking.

There being no further business, on a motion by Tim Lizura seconded by Michael Collins and unanimously approved by all voting members present, the meeting was adjourned at 8:20p.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
May 20, 2015

Resolution Regarding
Approval of Natural Resource Inventory

WHEREAS, the Fort Monmouth Economic Revitalization Authority (FMERA) was charged with adopting land use regulations and development and design guidelines consistent with and in furtherance of the Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan), which rules became effective in July 2013; and

WHEREAS, the Land Use Rules state that the Environmental Staff Advisory Committee (Committee) shall be the exclusive environmental commission for all land use matters and approvals within Fort Monmouth; and

WHEREAS, pursuant to the Land Use Rules, FMERA is charged with the preparation of a natural resources inventory, in consideration of the Reuse Plan and the natural resources inventories of the host municipalities, which must be approved the FMERA Board; and

WHEREAS, FMERA's contracted professional planner, Phillips Preiss Grygiel (PPG) prepared the Natural Resource Inventory (NRI) for the former Fort Monmouth Properties, with input from FMERA staff, the Committee and the Attorney General's Office; and

WHEREAS, the NRI will be used by FMERA staff in review of applications for Mandatory Conceptual Review (MCR) of site plan and subdivision applications, pursuant to the Land Use Rules; and

WHEREAS, the NRI contains a list of certain open space to be preserved and other environmental features to be preserved or protected and, if an MCR application involves such an open space to be preserved or other environmental features to be preserved or protected identified in the NRI, the ESAC reviews the proposed project for impacts upon the specifically identified open space or other environmental feature; and

WHEREAS, pursuant to the Land Use Rules, the NRI is to be presented to the Board for its approval for use by staff and the ESAC in their respective review of future development applications; and

WHEREAS, the Real Estate Committee has reviewed and discussed the NRI and the Committee recommends Board approval.

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached memorandum, the Authority approves the Natural Resource Inventory for the former Fort Monmouth Properties.
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 20, 2015

EXHIBIT 1

ADOPTED
May 20, 2015

Resolution Regarding
**Approval of Suggested Implementation of Open Space Inventory for Redevelopment of
Fort Monmouth**

WHEREAS, the Fort Monmouth Economic Revitalization Authority (FMERA) was charged with implementing and furthering the Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan); and

WHEREAS, the Reuse Plan indicates that approximately 504 acres of the total acres on Fort Monmouth are allocated to active recreation and passive open space; and

WHEREAS, the Real Estate Committee requested a review and analysis of the Reuse Plan to determine the type, location and size of the parcels making up the active recreation and passive open space allocation; and

WHEREAS, FMERA staff worked with the contract planners, Phillips Preiss Grygiel (PPG), to perform this review and to offer suggestions for identifying and monitoring the creation and/or preservation of open space during redevelopment; and

WHEREAS, FMERA staff and PPG finalized the Suggested Implementation of Open Space Inventory for Redevelopment of Fort Monmouth (Open Space Memo), which will serve as a guidance document for FMERA staff to perform ongoing monitoring of the inventory and provide periodic feedback to the Real Estate Committee; and

WHEREAS, the Real Estate Committee has reviewed and discussed the Open Space Memo and the Committee recommends Board approval.

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached memorandum, the Authority approves the Suggested Implementation of Open Space Inventory for Redevelopment of Fort Monmouth.

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 20, 2015

EXHIBIT 2

ADOPTED
May 20, 2015

Resolution Regarding
Consideration of Authorization for FMERA Staff to Execute a Lease with the Army for Building 114 and Enter into a Sublease with Prospective Purchasers, FM Partners LLC

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

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

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

WHEREAS, FMERA is negotiating a Purchase and Sale Agreement and Redevelopment Agreement (PSARA) with FM Partners for the reuse of the facility as a fitness/wellness center and eventually expand the facility, in anticipation of a transfer of property from the Army in the 3rd quarter of 2015; and

WHEREAS, FM Partners plans to initiate the approval processes, undertake site renovations and occupy the property, all as authorized under the lease and sublease; and

WHEREAS, FMERA staff has proposed that the Army lease the Fitness Center parcel to FMERA for a term of 30 years or until the Army transfers the Phase 2 properties to FMERA; and

WHEREAS, FMERA will then sublease the property to FM Partners consistent with the lease from the Army; FM Partners will insure the property, indemnify and hold FMERA harmless, and will operate and maintain the property; and

WHEREAS, the sublease will terminate automatically upon FMERA’s conveyance of ownership to FM Partners or if FMERA and FM Partners do not enter into a mutually acceptable PSARA within one year; and

WHEREAS, the FMERA Real Estate Committee recommends that the Board of Directors authorize the FMERA Staff to enter into the lease and sublease of the Fitness Center parcel.

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached memorandum, the Authority authorizes the FMERA Staff to execute a lease with the Army for the Fitness Center parcel and to enter into a sublease with the prospective purchaser, FM Partners, LLC, subject to review by the Attorney General's Office.

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

DATED: May 20, 2015
ATTACHMENT

EXHIBIT 3

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

DATE: June 17, 2015

SUBJECT: Monthly Status Report

Summary

The following are brief descriptions of the Fort Monmouth Economic Revitalization Authority (FMERA) staff's monthly activities which include an Update on the Comprehensive Annual Report; Update on Meetings with Army Representatives; Update on Requests for Proposals (RFPs) and Other Contracts; Update on Requests for Offers to Purchase (RFOTPs); Update on Marketing Effort; and Action Items for Next Month.

Treasurer's Report**1. Grant Application**

The Authority has submitted a Grant Application to the Office of Economic Adjustment (OEA) in support of the Authority's operations. The funds being requested are consistent with the budget approved by the Board for fiscal year 2015 and presented to the State's Office of Management and Budget in support of the Authority's appropriation request for fiscal year ending June 30, 2015. No word has been received yet from OEA on this application.

Executive Director's Report**2. Update on Meetings with Army Representatives**

FMERA and the Army have been holding discussions on the future transfer of the balance of the Main Post since March 2014, when the terms of the Phase 2 purchase were finalized, to be accomplished under a Phase 2 Memorandum of Agreement (MOA). After receiving support from the Board for the proposed terms negotiated by FMERA staff and Army representatives for the Authority's acquisition of the balance of the Main Post, staff submitted the Phase 2 Economic Development Conveyance application on July 1, 2014, and it is currently under review by the Army. A draft MOA is currently under review by staff and the Army. The Army has provided a draft Finding of Suitability to Transfer (FOST), an environmental review required before transfer, and it is currently under review by staff. Due to ongoing review of both the FOST and the MOA, our goal now is to seek approval from the Board to execute the Phase 2 MOA with the Army in the summer of 2015.

3. Update on RFPs and Contracts

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

Auctioneer

We received the final results of the last two auction events at 2707 and 2705 FMERA's revenue after expenses was approximately \$40,000. Preparations for the next auctions of Phase 1 property are underway. The next auction will include Buildings 2539 and 2540 and possibly other facilities. More information on the auction and auction catalogue is available at <http://www.theauctioneersgroup.com/>. Staff and the Auctioneer are also starting to identify buildings in Phase 2 to start inventorying and cataloging for potential events to be scheduled in the fall after property transfers. A public, community-focused, small-lot auction will be planned for next Spring.

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 two 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. FMERA is also discussing roadways, public rights of way and easements with the three Boroughs. A draft agreement with JCP&L to own, operate and maintain the CWA power system is undergoing a final review. FMERA hopes to bring it to the Board at the July meeting for approval.

Suneagles

The 1st tee project was completed and re-opened on June 8th. This project consisted of enlarging the overall teeing areas, re-grading and re-sodding the entire area. It has a new wonderful look and the feedback has been terrific with nothing but compliments from players. Rounds are up significantly due to some of the needed improvements that have been taking place throughout the year. As a result, the course conditions have been noticeably enhanced. Greens are very healthy; bunkers have been reworked and better defined. The fairway to rough definition is also more evident. The outings to date have been met with high praise. Gibbs Hall continues to gain traction with successful events and an increase in inquiries for future bookings. Joe's is beginning to get a local following and not just golfer traffic.

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 now in full warm weather mode keeping the grass and weeds at bay and prepping buildings and grounds in support of marketing site visits.

Marina

The Marina Operator reports, "we are making great progress at the Marina. The trench has been cut for the 3 phase electrical service, first coat of paint has been applied, tv's and speakers are going up, flooring is mostly done, kitchen hood is being installed, walk in freezer is being installed along with beer taps, the dining room on the East side is being completed, the bars are being assembled, bathrooms are nearly finished (they have been tiled and toilets are in).we are basically looking to finish by the end of the month. Very exciting!"

He further reports, "we have 10 slips rented out with 5 more supposedly coming. There has been a great deal more interest this year than last, and as soon as the restaurant opens we will see much greater interest. I plan to leave some slips available for Dock and Diners on the Eastern most pier so I am renting out as many slips as possible on the pier just in front of the restaurant."

3. Update on RFOTPs

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

Officer Housing

FMERA staff issued an RFOTP for the Officer Housing in the Historic District of the former Fort in January 2013, and two proposals were received. The Officer Housing is intended for residential reuse consistent with the Reuse Plan. At the April 2014 meeting of the Authority, the Board approved the recommendation to enter into exclusive negotiations with RPM Development Group in accordance with the Authority's Sales Rules. The Authority approved extensions to the exclusive negotiations period through April 2015. The property is located outside of the Fort's Phase One project area, so FMERA's ability to sell the property is contingent on execution of a Phase 2 EDC Agreement with the Army. At the May 2014 meeting of the Authority, the Board approved FMERA staff entering into a Lease with the Army and a Sublease with RPM for the property, enabling RPM to undertake due diligence and pursue financing and project approvals in advance of FMERA's execution of the Phase 2 EDC Agreement. The Officer Housing project has received preliminary and final major site plan and subdivision approval from the Oceanport Planning Board. FMERA staff will present a request for approval of a Purchase and Sale Agreement and Redevelopment Agreement (PSARA) with RPM at tonight's meeting.

Marina

In October 2013 an RFOTP was issued for the Marina Parcel in Oceanport. The Marina Parcel consists of 3.9 acres located at Oceanport and Riverside Avenues. The Property includes a 71-slip marina and boat launch ramp on Oceanport Creek, a 2,600 sf boat house constructed in 1986 and associated off-street parking. The Reuse Plan contemplates a marina/public boat ramp/restaurant on the property and the reuse of the existing boat house. Proposals were due in January 2014 and two were received. At the August 2014 meeting of the Authority, the Board approved entering into exclusive negotiations with the one compliant proposer, AP Development Partners, LLC (APDP). FMERA staff released a Request for Proposals (RFP) for a Marina Operator in the interim, and received one proposal from APDP. The operator opened the marina for boat traffic in June 2014. The operator has met with the NJDEP's Bureau of Coastal Land Use and Compliance to address a notice of 3 violations. Two of the violations are not related to any action or construction by the operator and the operator believes the Army and NJ DEP will reach a resolution. The remaining violation requires the operator to submit a CAFRA Permit Application for construction along the existing open deck, which is forthcoming. The operator expects these issues to be resolved. Marina operations for the 2015 season have begun and the boat house is expected to open shortly.

Russel Hall

Russel Hall is a 42,300 sf, four-story administration building located on Sanger Avenue in the Oceanport Reuse Area of the Fort. The property is located outside of the Fort's Phase One project area, so FMERA's ability to sell the property will be contingent on execution of a Phase

2 EDC Agreement with the Army. FMERA staff issued an initial RFOTP for Russel Hall in September 2013, with proposals due in November 2013. At the January 2014 meeting of the Authority, the Board approved the recommendation to enter into exclusive negotiations with the sole proposer, Kiely Realty Group, LLC, in accordance with the Authority's Sales Rules; the Board subsequently approved extending the exclusive negotiations term a total of 75 days. At the May 2014 meeting of the Authority, the Board approved a Lease with the Army and Sublease with Kiely, although the Sublease was never finalized or executed. FMERA and Kiely disagreed over the reactivation of the former heliport, and the Authority voted to end negotiations with Kiely, terminate the RFOTP and issue a new RFOTP at the December 2014 Board meeting. On February 13, 2015 FMERA issued an RFOTP for Russel Hall that includes a 4.6 acre parcel of land and excludes the former heliport. Proposals were due on April 13, 2015 and FMERA received 3 proposals. An evaluation committee scored the proposals and staff will begin discussions with the leading bidder shortly.

Fitness Center

On March 14, 2014 an RFOTP was issued for the Fitness Center in the Oceanport Reuse Area of the Fort. The property consists of 7.75 acres of land and three buildings, as well as all of the fitness equipment located within Building 114. FMERA set \$1,950,000 as the minimum bid amount for the property. Proposals were due May 28, 2014, and one proposal was received. Staff has evaluated the proposal in accordance with the Authority's Sales Rules and is negotiating a purchase agreement with the sole proposer. The property is located outside of the Fort's Phase One project area, so FMERA's ability to sell the property is contingent on execution of a Phase 2 EDC Agreement with the Army. At the May Board meeting, the Board approved entering into a Lease with the Army and a Sublease with FM Partners, LLC for the property, so the potential purchasers can begin site work and renovations in advance of a 2015 closing with the Army. FMERA staff will present a request for approval of a Purchase and Sale Agreement and Redevelopment Agreement (PSARA) with FM Partners at tonight's meeting.

Main Post Chapel

In March 2014 an RFOTP was issued for the Main Post Chapel in the Oceanport Reuse Area of the Fort. The property encompasses 5 acres of land and a 16,372 square foot structure, consisting of a 600-seat chapel, an administrative wing, a classroom wing, and a kitchen. The property is located outside of the Fort's Phase One project area, so FMERA's ability to sell the property is contingent on execution of a Phase 2 EDC Agreement with the Army. The Chapel is intended to be reused as a house of worship, per the Authority's Reuse Plan. The Property is in the Oceanport Horseneck Center and the Historic District, although the structure is not considered historic. Proposals were due on May 9, 2014, and two proposals were received. The compliant proposer decided to retract its proposal. As there were no compliant proposals, FMERA proceeded to issue a second RFOTP on February 20, 2015 in accordance with the Authority's Sales Rules. Proposals are due on June 19, 2015.

Dance Hall

On March 13, 2015, FMERA issued an RFOTP for Building 552, the former recreation center in Oceanport referred to as the Dance Hall. Located on an approximately 4.2 acre parcel, the 16,420 gsf former recreation center was constructed circa-1941, and is adjacent to the Fort's Historic District. The property is located outside of the Fort's Phase One project area, so FMERA's ability to sell the property is contingent on execution of a Phase 2 EDC Agreement

with the Army. Although the Reuse Plan contemplates demolition of Building 552, the unique design features of the building and its central location near the planned tech center at the McAfee building, the renovated Officer Housing and Fitness Center, and the Main Post Chapel, lead FMERA staff to believe that the property has great potential for reuse as a restaurant, café, coffee house, microbrewery, gallery and/or performance space, serving small entertainment and recreation uses as it once did when the Fort was in operation. Green space could be maintained in the adjacent park space, which includes two memorials. Although permitted uses include office/research, institutional/civic or open space/recreation, FMERA will review offers that propose alternative uses. Proposals are due on June 26, 2015.

Nurses' Quarters

On March 13, 2015, FMERA issued an RFOTP for the Nurses' Quarters in Oceanport, Buildings 1077 and 1078, located on an approximately 3.75 acre parcel along Main Street and Stephenson Avenue. Built in 1962, the buildings contain 24 one- and two-bedroom units that were formerly used as apartments for Army nurses. The property is located outside of the Fort's Phase One project area, so FMERA's ability to sell the property is contingent on execution of a Phase 2 EDC Agreement with the Army. The Reuse Plan contemplates the reuse of the buildings as mixed-income apartments, but FMERA will review offers that propose alternate uses. Proposals are due on June 19, 2015.

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

Howard Commons

Howard Commons is a 63.67-acre tract on Pinebrook Road in the Fort's Charles Wood Area. The property is currently improved with 486 townhouse units constructed by the Army in 1953, along with a 3,853 sf general purpose building. The Reuse Plan calls for the demolition of the existing improvements and their replacement with 275 dwelling units and approximately 15,000 sf of ancillary retail/commercial space. In accordance with the Reuse Plan, 20% of the new units will be affordable housing qualified. At the January 2014 meeting of the Authority the Board approved a PSARA for Howard Commons with HovWest Land Acquisition, LLC (HovWest). The Authority and HovWest executed the PSARA effective as of May 19, 2014. HovWest exercised its right under the PSARA to withdraw from the project, noting that higher than expected groundwater caused them to make this decision. At the August 2014 meeting of the Authority, the Board approved the termination of the RFOTP process and the issuance of a new RFOTP for Howard Commons, in accordance with the Authority's Sales Rules. Staff issued a new RFOTP for Howard Commons on December 29, 2014. The response date for the new RFOTP has been extended to June 26, 2015.

Parcel B

In March 2013 FMERA publically issued an RFOTP for Parcel B, a 55-acre tract located along the Fort's Route 35 frontage in the Main Post's Eatontown Reuse Area. The Reuse Plan calls for Parcel B to be developed as a high quality lifestyle center, with approximately 150,000 square feet of retail, restaurant, entertainment and other uses in a Main Street format, along with 302 mixed-income apartments. Four proposals were received. At the February 2014 meeting of the Authority, the Board authorized FMERA staff to terminate the RFOTP process without awarding a contract and issue a new RFOTP for Parcel B, in accordance with the Authority's Sales Rules. The new RFOTP for Parcel B will seek proposals that meet the Reuse Plan's goal of creating a lifestyle town center, as an exciting and attractive gateway to the Fort.

At the January 2015 meeting, the Board authorized staff to add 12 acres to Parcel B and issue a new RFOTP, which will increase the square footage of retail and/or commercial development on the parcel to 250,000 square feet, while keeping the number of housing units at 302. Additionally, the new RFOTP will add another 12 acres including Mallette Hall as an optional component. On February 20, 2015 FMERA issued the RFOTP for the expanded Parcel B. Proposals are due on June 26, 2015.

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

Fabrication Shops (Pinebrook Road Commerce Center at Fort Monmouth)

At the June 2013 meeting of the Authority, the Board approved making the Pinebrook Road Commerce Center (buildings 2501 – 2504, 2506 and 2507, totaling approximately 44,000 sf) available through the offer to purchase process. The five fabrication shops consist of flex (industrial/office) space in varying configurations. There is also a building (building 2501) on site that is well-suited for use as office space. The Parcel is located off of Pinebrook Road in the Tinton Falls Reuse Area of Fort Monmouth. An RFOTP for the parcel was issued in September 2013, and three proposals were received. At the May 2014 meeting of the Authority, the Board approved the recommendation to enter into exclusive negotiations with the highest ranked proposer, Pinebrook Commerce Center, LLC (PCC), in accordance with the Authority's Sales Rules. The Board approved extensions of the exclusive negotiations period with PCC through April 2015, due to delays in negotiating an acceptable access plan for this section of the Charles Wood Area. At the April 15th meeting of the Authority, the Board approved a PSARA with PCC for the former fabrication shops.

Parcels C and C1

In March 2013 FMERA publically issued RFOTPs for Parcels C and C1. Three proposals were received for Parcel C, and three proposals were received for Parcel C1, with some firms submitting multiple scenarios for redevelopment. FMERA staff evaluated the proposals in accordance with the Authority's Sales Rules, and subsequently engaged in discussions with the highest ranked proposers. Parcel C is in the Tinton Falls Reuse Area and is planned as a mixed-use town center. The 39-acre lot can accommodate up to 239 newly constructed residential units, along with up to 107,000 square feet of retail and other commercial development. Parcel C1 is a 12-acre tract also located in the Tinton Falls Reuse Area. In accordance with Reuse Plan amendment #1, the property can accommodate up to 49 newly constructed residential units. At the April 2014 meeting of the Authority, the Board approved the recommendation to enter into exclusive negotiations with Lennar Corporation in accordance with the Authority's Sales Rules. The Authority has approved extensions to the exclusive negotiations period through March 2015. FMERA staff is finalizing a PSARA with Lennar and expects to present it for approval at an upcoming Board meeting.

Parcels V-1 and F-2

Parcel V-1 was a 10-acre tract in the Eatontown section of the former Fort which was put out for bid for the purpose of establishing a Veterans Community. An RFOTP was publically issued for the parcel in September 2013 and two proposals were received in December 2013. Both bidders proposed paying nominal consideration to acquire and redevelop the property into a Veterans community. At the June 2014 meeting of the Authority, the Board authorized FMERA staff to terminate the RFOTP process without awarding a contract. At its September 2014 meeting, the Authority approved the issuance of a new RFOTP for a Veterans project in

the Tinton Falls Reuse Area, on a 15-acre site to be known as Parcel F-2, which includes approximately 8.2 acres of developable land and Buildings 2704 and 2719. The RFOTP for F-2 was issued on December 12, 2014 and proposals were due on March 13, 2015. FMERA has set \$650,000 as the minimum bid amount for the Parcel. One compliant proposal was received and an evaluation team has scored the proposal.

Pistol Range

In November 2013 an RFOTP was issued for the Pistol Range. The Pistol Range is a one-story 11,110 sf building, equipped with 10 indoor firing lanes, in the Tinton Falls Reuse Area of the former Fort. The range was constructed in 2006. The facility sits on a 1-acre parcel, which represents the minimum lot size needed to accommodate required parking and building setbacks. The RFOTP allowed respondents the option to provide alternate proposals that included the purchase of additional adjacent land and/or buildings and the use of the property for non-governmental purposes. Proposals were due in February 2014 and five were received. At the May 2014 meeting of the Authority, the Board approved the recommendation to enter into exclusive negotiations with Kiely Realty Group, LLC, the highest ranked proposer, in accordance with the Authority's Sales Rules. PSARA negotiations are on-going.

Satellite Road Parcel 1

On August 14, 2014, an RFOTP was issued for a 1.5 acre parcel in the Tinton Falls area of the former Fort, bordering Satellite Road and Fire Line Drive. The property is in the Tinton Falls Tech/Office Campus and permitted uses include office/research, institutional/civic and open space/recreation. Proposals were due on October 17, 2014 and two were received. FMERA staff is currently negotiating with the higher ranked proposer.

Charles Wood Firehouse

In December 2013 an RFOTP was issued for the Charles Wood Firehouse in the Tinton Falls Reuse Area of the Fort. The Firehouse is a 10,000 sf structure on Corregidor Road, built in 2001. The permitted principal land use for the 2.3 acre parcel of land and building is institutional/civic reuse in the Fort's Reuse Plan. Proposals were due on March 20, 2014 and one proposal was received. Subsequently, the one proposer retracted its proposal. FMERA staff issued a second RFOTP on November 14, 2014 in accordance with the Authority's Sales Rules. Proposals were due on January 12, 2015 and two proposals were received. An evaluation team has reviewed the proposals and FMERA staff plans to make a recommendation at a subsequent meeting.

Parcel F-1

On December 5, 2014, FMERA issued an RFOTP for a 38 acre parcel in the Tinton Falls Reuse Area of the former Fort, which contains the 673,450 square foot Myer Center and the 47,592 square foot Night Vision Lab, as well as several support buildings. The Reuse Plan contemplates the renovation and reuse of both the Myer Center and the Lab as part of an office/high tech industry business campus. The RFOTP allowed for either a proposal consistent with the Reuse Plan or an alternate commercial use, including but not limited to sports, entertainment, and/or hospitality uses. This could include the demolition of the two buildings. Proposals were due March 6, 2015 and no proposals were received. Our master broker, Cushman & Wakefield, is assisting FMERA staff in evaluating the options for reissuing the RFOTP.

Parcel F-3

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

Building 2525

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

Child Development Center

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

4. Marketing Update

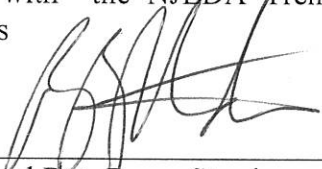
FMERA staff continues to receive positive feedback on our new website, www.fortmonmouthnj.com, which went live on April 15, 2015. Staff submitted the website to the International Economic Development Council's 2015 Excellence in Economic Development Awards, in the category of General Purpose Website. Judging of the applicants is ongoing. We wrapped up work on several branding items with our marketing consultant, Weblinx, Inc., and have begun to roll out our new logo and tagline.

FMERA staff is in the process of extending the engagement of our master broker, Cushman & Wakefield (Cushman), for an additional year. Cushman was chosen as exclusive broker for the Fort in 2012, and is completing its initial 3-year contract period. The contract includes provisions for 2 1-year extensions, at FMERA's option. FMERA and Cushman conduct, on average, a half a dozen tours per week. Cushman has updated their marketing flyers and created new flyers for the parcels currently out for proposals. These flyers are distributed by Cushman to real estate brokers and prospects through email blasts, with a new message or property featured weekly. The level of interest in the Fort property remains high.

Please refer to our website, www.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



Approved By: Bruce Steadman

Prepared by: Candice Valente

**ADOPTED
June 17, 2015**

**Resolution Regarding
Authorization for FMERA to Enter into a Purchase and Sale Agreement and
Redevelopment Agreement with RPM Development, LLC for the Officer Housing**

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

WHEREAS, on January 16, 2013 FMERA issued and publically advertised a Request for Offers to Purchase (RFOTP) for the Officer Housing, with a response date of March 1, 2013, 45 days after the issuance of the RFOTP, in connection with the planned redevelopment of the Officer Housing in Oceanport; and

WHEREAS, the Officer Housing included 117 historic residential units in single duplex and four-plex configurations, surrounding and adjacent to the Parade Ground, located on two parcels of approximately 27.5 and 9 acres; and

WHEREAS, FMERA received two proposals for the Officer Housing, and one proposal was deemed non-compliant because it did not include the required 20% set-aside for affordable housing, per the RFOTP and the Authority's Rules for the Sale of Real and Personal Property (Sales Rules); and

WHEREAS, the evaluation team scored and evaluated the RPM Development, LLC (RPM) proposal and recommended that FMERA proceed to exclusive negotiations; and

WHEREAS, at the Authority's April 23, 2014 meeting, the Board authorized FMERA staff to enter into exclusive negotiations with RPM for a purchase agreement pursuant to the RFOTP for Officer Housing, per the Authority's Sales Rules; and

WHEREAS, at the Authority's May 21, 2014 meeting, the Board authorized staff to execute a lease with the Army and for FMERA to enter into a sublease with RPM which enabled RPM to apply for site plan and other approvals from the Borough of Oceanport and to obtain financing in advance of closing, which sublease was executed on September 5, 2014; and

WHEREAS, the exclusive negotiations period commenced on October 7, 2014 and by letter dated November 19, 2014, the Executive Director extended the exclusive negotiation period for an additional thirty days as permitted by the Authority's Sales Rules; and

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

WHEREAS, the exclusive negotiations period has resulted in the attached Purchase and Sale Agreement and Redevelopment Agreement (PSARA), which entails RPM paying \$8,262,817, contributing up to \$1,000,000 toward on- and off-site infrastructure obligations, and closing within 30 days of satisfaction of conditions precedent, including the execution of the Phase 2 agreement between FMERA and the Army and FMERA's acquisition of title from the Army; and

WHEREAS, the PSARA requires RPM to commence work on the North Post units no later than 90 days after closing and complete construction within 68 months and to commence work on the South Post within 18 months after closing; and

WHEREAS, if FMERA cannot transfer title to RPM by November 30, 2015, the purchase price will be reduced by \$50,000 as of December 1, 2015, and will be further reduced by \$1,000 per day; if FMERA has not acquired title from the Army by June 30, 2016, RPM will have the option of terminating the agreement, and receiving: (i) a refund of its deposit; (ii) reimbursement of its infrastructure construction costs; and (iii) 75% of its soft costs. FMERA will pay RPM (ii) and (iii) from proceeds of the sale of the property to a subsequent redeveloper; and

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

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the selection of RPM Development, LLC as the purchaser of the Officer Housing parcel in Oceanport pursuant to the January 16, 2013 Request for Offers to Purchase, on terms substantially consistent to those set forth in the attached memorandum and the attached Purchase and Sale Agreement and Redevelopment Agreement (PSARA) and with final terms acceptable to the Executive Director and the Attorney General's Office, and authorizes the Executive Director to execute the PSARA and take any necessary actions to effectuate the selection of RPM as the purchaser of the Officer Housing parcel.

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

Dated: June 17, 2015
ATTACHMENT

EXHIBIT 1



DISCOVER · INNOVATE · TRANSFORM

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Purchase and Sale & Redevelopment Agreement with RPM Development, LLC for the Officer Housing Parcel

DATE: June 17, 2015

Request

I am requesting that the Board approve the Authority's execution of a Purchase and Sale & Redevelopment Agreement ("PSARA") with RPM Development, LLC ("RPM") for the Officer Housing Parcel in the Oceanport Reuse Area.

Background

In June 2014 FMERA and the Army executed a letter of intent covering the Fort's Phase 2 properties. The parties are currently preparing for FMERA's purchase of the Phase 2 properties, including the Officer Housing parcel, later this year.

FMERA issued a Request for Offers to Purchase ("RFOTP") in connection with the planned redevelopment of the Officer Housing Parcel on January 16, 2013. The Officer Housing includes 117 historic residential units in single, duplex and four-plex configurations, surrounding and adjacent to the Parade Ground. Specifically, it consists of Gosselin Avenue non-commissioned officer residences and officer family housing units on Russel, Carty and Allen Avenues; the latter range in size from 3,700 to over 6,000 sf. The historic residential units are located on two parcels of 27.5 acres and 9 acres. A map of the Officer Housing area is attached. The Fort Monmouth Reuse and Redevelopment Plan ("Reuse Plan") calls for the housing to be reused as residential units. Also, the property is located within the Fort Monmouth National Register Historic District and redevelopment is restricted accordingly.

The RFOTP was advertised in the Asbury Park Press and the Star Ledger, and posted to the FMERA, NJEDA and New Jersey State Business Portal websites. The response date for offers to purchase the property was March 1, 2013.

FMERA received two proposals for the Officer Housing, however one proposal was deemed non-compliant because it did not include the required 20% set-aside for affordable housing. An evaluation team, comprised of three FMERA staff, scored the remaining proposal independently, according to criteria and weightings contained in the RFOTP and FMERA's Rules for the Sale of Real and Personal Property (N.J.A.C. 19:31C-2 et seq.)(the "Sales Rules"). As part of their analysis, the evaluators reviewed the RPM proposal for compliance with the Reuse Plan in all aspects. The evaluators agreed that the RPM proposal was compliant with the Reuse Plan, and recommended that FMERA proceed to exclusive negotiations.

RPM is a New Jersey-based real estate development organization with over two decades of experience. They have nearly 120 employees in three offices throughout New Jersey. The company has completed 12 historic preservation projects and has expertise in all aspects of real estate including development, construction, residential and commercial leasing, and property management.

RPM's proposal calls for 68 market-rate, for-sale units north of the Parade Ground (the "North Post") and 48 rental units south of the Parade Ground (the "South Post"). The South Post units are proposed to be a mix of market-rate rentals and affordable rentals, with the affordable rentals meeting the project's required 20% affordable housing set aside. One of the single family homes on the South Post is proposed to be renovated and used as a community room for tenants. RPM plans to restore the exteriors and renovate the interiors of the North Post and South Post homes, as well as providing landscaping. A recreational area is proposed for the North Post along Parker's Creek.

After holding meetings with RPM representatives, FMERA staff recommended that FMERA enter into exclusive negotiations with RPM. As provided in the Sales Rules, FMERA staff determined during the evaluation process that there was a high likelihood that negotiating with RPM would lead to an acceptable sales contract between the parties. Accordingly, at its meeting of April 23, 2014, the FMERA Board authorized staff to enter into exclusive negotiations with RPM for a Purchase and Sale & Redevelopment Agreement ("PSARA") pursuant to the RFOTP for the Officer Housing parcel.

In accordance with the Sales Rules, the exclusive negotiating period commenced on October 7, 2014 and was extended by the Executive Director for an additional thirty (30) days, as permitted by N.J.A.C. 19:31C-2.16(b), through December 20, 2014.

Additionally, at its May 21, 2014 meeting, the FMERA Board authorized staff to: (i) execute a Lease in Furtherance of Conveyance with the Army for the Officer Housing Parcel; and (ii) enter into a sublease with RPM for the Officer Housing Parcel, all upon final terms acceptable to the Executive Director and the Attorney General's Office. The sublease was intended to enable RPM to apply for site plan and other approvals from the Borough of Oceanport, and to obtain financing in advance of closing. FMERA entered into a lease with the Army for the Officer

Housing Parcel and executed the sublease with RPM on September 5, 2014. RPM has applied for and received site plan and subdivision approval from the Oceanport Planning Board for the South Post. The FMERA Board subsequently extended RPM's exclusive negotiations period through April 2015.

Purchase and Sale & Redevelopment Agreement

FMERA staff is pleased to report that negotiations with RPM have resulted in terms that it wishes to present for the Board's consideration. RPM will pay \$8,262,817 for the property, reflecting the amount of its revised proposal, and contribute an amount up to \$1,000,000 toward on- and off-site infrastructure obligations. Closing will occur within 30 days of satisfaction of the conditions precedent to closing, which include: execution of a Phase 2 Economic Development Conveyance Agreement between FMERA and the Army; FMERA's acquisition of title from the Army; RPM completing due diligence and obtaining all approvals necessary to develop the project; receipt of a final remediation document from either the New Jersey Department of Environmental Protection or purchaser's Licensed Site Remediation Professional; and the consent of the New Jersey Economic Development Authority's Board. The parties will endeavor to satisfy these contingencies within six months of execution of the PSARA. RPM will have the option of extending the time period for obtaining project approvals for an additional six months if it has not obtained them within the initial six month timeframe. FMERA will convey the property to RPM in as-is condition, but with clear title and subject to the Army's on-going obligations under CERCLA to address any pre-existing contamination that may exist on the property.

The purchaser will renovate the existing buildings in two phases: the North Post phase and the South Post phase. RPM will commence renovation of the North Post units using conventional financing no later than 90 days after closing, and complete construction within 68 months. The South Post project financing is anticipated to include Low-Income Housing Tax Credits ("LIHTCs") and historic tax credits. In the event that RPM does not commence construction of the South Post within 18 months after closing, 20% of the North Post units will be developed as affordable housing and FMERA may exercise a right to repurchase the South Post from RPM. FMERA also has a right to repurchase the North Post if North Post construction is not timely commenced or completed. The purchaser will also be obligated to create one full-time, on-site superintendent job to serve the South Post rental community upon completion of the South Post units.

The parties have agreed to fast-track development of the project in anticipation of the Army conveying title to FMERA this summer. In the event that FMERA cannot transfer title to RPM by November 30, 2015, the purchase price will be reduced by \$50,000 as of December 1, 2015, and will be further reduced by \$1,000 per day until FMERA satisfies its remaining conditions precedent to closing (i.e. acquires title from the Army). Additionally, while not a condition of closing, RPM will have the right to extend the closing date from 30 to 90 days after satisfaction of all conditions precedent if closing cannot occur by November 30, 2015 and RPM loses its South Post financing commitment as a result. If FMERA has not acquired title from the Army by June 30, 2016, RPM will have the option of terminating the agreement, and receiving: (i) a refund of its deposit; (ii) reimbursement of its infrastructure construction costs; and (iii) 75% of

its soft costs. FMERA will pay RPM (ii) and (iii) from proceeds of the sale of the property to a subsequent redeveloper.

RPM's South Post development has received a preliminary commitment of LIHTCs and HUD Community Development Block Grant funds for Superstorm Sandy relief from the New Jersey Housing & Mortgage Finance Agency. RPM has also obtained preliminary and final major site plan and subdivision approval from the Oceanport Planning Board for both the North and South Posts. In addition, FMERA's Historic and Housing Staff Advisory Committees have endorsed the project.

Based on the redevelopment provisions of the PSARA between FMERA and RPM, FMERA staff concludes that the essential elements of a redevelopment agreement between FMERA and RPM are sufficiently addressed and that it is not necessary for FMERA to enter into a separate redevelopment agreement with RPM for its development of the Officer Housing Parcel. In order to accommodate RPM's financing and redevelopment schedule and expedite the execution of a PSARA with RPM, the Real Estate Committee allowed this item to be placed on the June Board meeting agenda, on the condition that staff circulates a substantially final form of PSARA for the Members' review prior to the meeting. Staff circulated that document to the Committee members on June 16, 2015. The final terms of the PSARA will be subject to the approval of FMERA's Executive Director and the Attorney General's Office.

Based on the discussion at its June 9, 2015 meeting, the Real Estate Committee recommends Board approval.

Recommendation

Staff requests that the Board approve the Authority's execution of a Purchase and Sale & Redevelopment Agreement with RPM Development, LLC for the Officer Housing Parcel in the Oceanport Reuse Area.



Bruce Steadman
Executive Director

Attachment: Parcel Map
Prepared by: Candice A. Valente and David E. Nuse



Leonard Avenue

Walden Avenue

Hildreth Avenue

Saltzman Avenue

Murphy Drive

26.5 acres

10 acres

9 Acres

Mather Avenue

Brewer Avenue

Irwin Avenue

Sherrill Avenue

Battered Avenue

Telegraph Avenue

Salzman Avenue

Street

ATTACHMENT

[The attachment that the preceding memo refers to has been removed from this full agenda.]

**ADOPTED
June 17, 2015**

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

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

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

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

WHEREAS, at the Authority's May 20, 2015 meeting, the Board authorized FMERA staff to execute a lease with the Army for the Fitness Center parcel and to enter into a sublease with the prospective purchaser, FM Partners, LLC, subject to review by the Attorney General's office; and

WHEREAS, negotiations between FMERA and FM Partners for a Purchase and Sale Agreement and Redevelopment Agreement (PSARA) pursuant to the RFOTP for the Fitness Center, and per the Authority's Rules for the Sale of Real and Personal Property (Sales Rules) has resulted in the attached PSARA, which entails FM Partners paying \$3,450,000 and closing within 30 days of satisfaction of conditions precedent, including the execution of the Phase 2 agreement between FMERA and the Army and FMERA's acquisition of title from the Army; and

WHEREAS, the PSARA requires FM Partners to commence renovation within three months of closing, complete the renovations within twelve months, and incur a minimum investment of \$750,000; and

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

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

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the selection of FM Partners, LLC as the purchaser of the Fitness Center parcel in Oceanport pursuant to the March 14, 2014 Request for Offers to Purchase, on terms substantially consistent to those set forth in the attached memorandum and the attached Purchase and Sale Agreement and Redevelopment Agreement (PSARA) and with final terms acceptable to the Executive Director and the Attorney General's Office, and authorizes the Executive Director to execute the PSARA and take any necessary actions to effectuate the selection of FM Partners, LLC as the purchaser of the Fitness Center parcel.

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

Dated: June 17, 2015
ATTACHMENT

EXHIBIT 2



DISCOVER › INNOVATE › TRANSFORM

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Purchase and Sale & Redevelopment Agreement with FM Partners, LLC for the Fitness Center Parcel

DATE: June 17, 2015

Request

I am requesting that the Board approve the Authority's execution of a Purchase and Sale & Redevelopment Agreement ("PSARA") with FM Partners, LLC ("FM Partners") for the Fitness Center parcel in the Oceanport Reuse Area.

Background

In June 2014 FMERA and the Army executed a letter of intent covering the Fort's Phase 2 properties. The parties are currently preparing for FMERA's purchase of the Phase 2 properties, including the Fitness Center parcel, later this year.

FMERA issued a Request for Offers to Purchase ("RFOTP") in connection with the planned redevelopment of the Fitness Center parcel on March 14, 2014. The Fitness Center parcel consists of 7.75 acres of land and Building 114, the 32,250 sf Fitness Center, constructed in 1952; Building 562, a New Jersey Natural Gas Company facility; and Building 752, a sewage lift station. The property also includes a water tower that is no longer in use or needed for redevelopment. The RFOTP called for the successful bidder to take down the water tower no later than five years following closing. The parcel is divided into two sub-parcels by a strip of land owned by Jersey Central Power & Light Company, which runs through the property just south of Building 114. Title to the property is subject to: (i) a yet to be created easement for future use of the existing sewage lift station; and, (ii) an easement for New Jersey Natural Gas Company's continued use of the existing natural gas facility. A map of the Fitness Center parcel is attached. The Fort Monmouth Reuse and Redevelopment Plan ("Reuse Plan") calls for the reuse of the Fitness Center as a health club.

The RFOTP was advertised in the Asbury Park Press and the Star Ledger, and posted to the FMERA, NJEDA and New Jersey State Business Portal websites. The response date for offers to purchase the property was May 28, 2014.

FMERA received one proposal for the Fitness Center parcel, from FM Partners. An evaluation team comprised of FMERA staff members scored the proposal independently, according to criteria and weightings contained in the RFOTP and FMERA's Rules for the Sale of Real and Personal Property (N.J.A.C. 19:31C-2 et seq.). The evaluators recommended that FMERA proceed to negotiations with FM Partners.

FM Partners is a New Jersey-based limited liability company; its members are James S. Wassel (managing partner), Christopher Champeau and David Callahan. FM Partners' managing member has over 30 years experience in developing and operating multi-use commercial properties. The group has secured commitments for \$5.5 million in equity to be used toward the acquisition and renovation of the facility. Their proposal calls for the renovation and expansion of Building 114 for medically based fitness programming, aquatic programming, and individualized and group training and classes, along with related and ancillary uses including a pro shop, a health café and off-street parking. FM Partners plans to place its sign on the water tower for up to five years, at which time FM Partners will dismantle and remove the water tower.

At its May 21, 2015 meeting, the FMERA Board authorized staff to: (i) execute a Lease in Furtherance of Conveyance with the Army for the Fitness Center parcel; and (ii) enter into a sublease with FM Partners for the Fitness Center parcel, all upon final terms acceptable to the Executive Director and the Attorney General's Office. The sublease is intended to enable FM Partners to apply for approvals, obtain financing, and renovate and occupy the property in advance of closing. The lease from the Army to the Authority will run for a term of thirty (30) years, ending on May 11, 2045, or until the Army conveys the property. Consistent with the lease from the Army, FMERA will sublease the Property to FM Partners until May 11, 2045. The sublease will terminate automatically and simultaneously upon FMERA conveying ownership of the property to FM Partners or if FMERA and FM Partners do not enter into a mutually acceptable PSARA within one year. FM Partners will obtain a temporary certificate of occupancy during the sub-lease term. The Army issued a Final Finding of Suitability to Lease for the property in April 2015, indicating that it meets federal and state environmental standards for the intended use.

Purchase and Sale & Redevelopment Agreement

FMERA staff is pleased to report that negotiations with FM Partners have resulted in terms that it wishes to present for the Committee's consideration. FM Partners will pay \$3,450,000 for the property, reflecting the amount of its proposal. Closing will occur within 30 days of satisfaction of the conditions precedent to closing, which include: execution of a Phase 2 Economic Development Conveyance Agreement between FMERA and the Army; FMERA's acquisition of title from the Army; FM Partners completing due diligence and obtaining all approvals necessary to develop the project; receipt of a final remediation document from either the New Jersey Department of Environmental Protection or purchaser's Licensed Site Remediation Professional; and the consent of the New Jersey Economic Development Authority's Board. The parties will endeavor to satisfy these contingencies within six months of execution of the PSARA. FM Partners will have the option of extending the time period for obtaining project approvals for an additional six months if it has not obtained them within the initial six month timeframe. FMERA will convey the property to FM Partners in as-is condition, but with clear title and subject to the Army's on-going obligations under CERCLA to address any pre-existing contamination that may exist on the property.

The purchaser will commence renovation of the Fitness Center within three months of closing and complete the renovations within twelve months of obtaining a temporary certificate of occupancy, incurring a minimum investment of \$750,000. In the event that FM Partners completes the initial renovations and receives a certificate of occupancy within twelve months without expending the entire \$750,000, it shall have an additional twelve months to expend the balance on additional improvements to the property. FM Partners may pursue the development of a new field house on the balance of the 7.75 acre property at a future date. In the event that FM Partners does not commence or complete renovations as specified above, FMERA may exercise a right to repurchase the project from FM Partners. The purchaser will also be obligated to create and/or relocate a minimum of 50 new full-time equivalent jobs at the property within three years of obtaining a certificate of occupancy.

Redevelopment of the Fitness Center parcel will require an amendment to the Reuse Plan, because the property boundaries differ from those depicted in the Reuse Plan and to allow FM Partners' sign on the water tower. The 7.75 acre parcel offered through the RFOTP conforms to the existing street configuration, not the proposed street locations shown in the Reuse Plan. Additionally, the 7.75 acre parcel straddles three districts in the Land Use Rules, the Green Tech Campus, the Horseneck Center and the Education/Mixed-Use Neighborhood. A Reuse Plan amendment will be required to address these deviations and reconcile the Reuse Plan and Land Use Rules.

Based on the redevelopment provisions of the PSARA between FMERA and FM Partners, FMERA staff concludes that the essential elements of a redevelopment agreement between FMERA and FM Partners are sufficiently addressed and that it is not necessary for FMERA to enter into a separate redevelopment agreement with FM Partners for its development of the Fitness Center Parcel. In order to accommodate FM Partners' financing and redevelopment schedule and expedite the execution of a PSARA, the Real Estate Committee allowed this item to be placed on the June Board meeting agenda, on the condition that staff circulates a substantially final form of PSARA for the Members' review prior to the meeting. Staff subsequently provided that document to the Committee members on June 16, 2015. The final terms of the PSARA will be subject to the approval of FMERA's Executive Director and the Attorney General's Office.

Based on its discussion at the June 9, 2015 Committee meeting, the Real Estate Committee recommends Board approval.

Recommendation

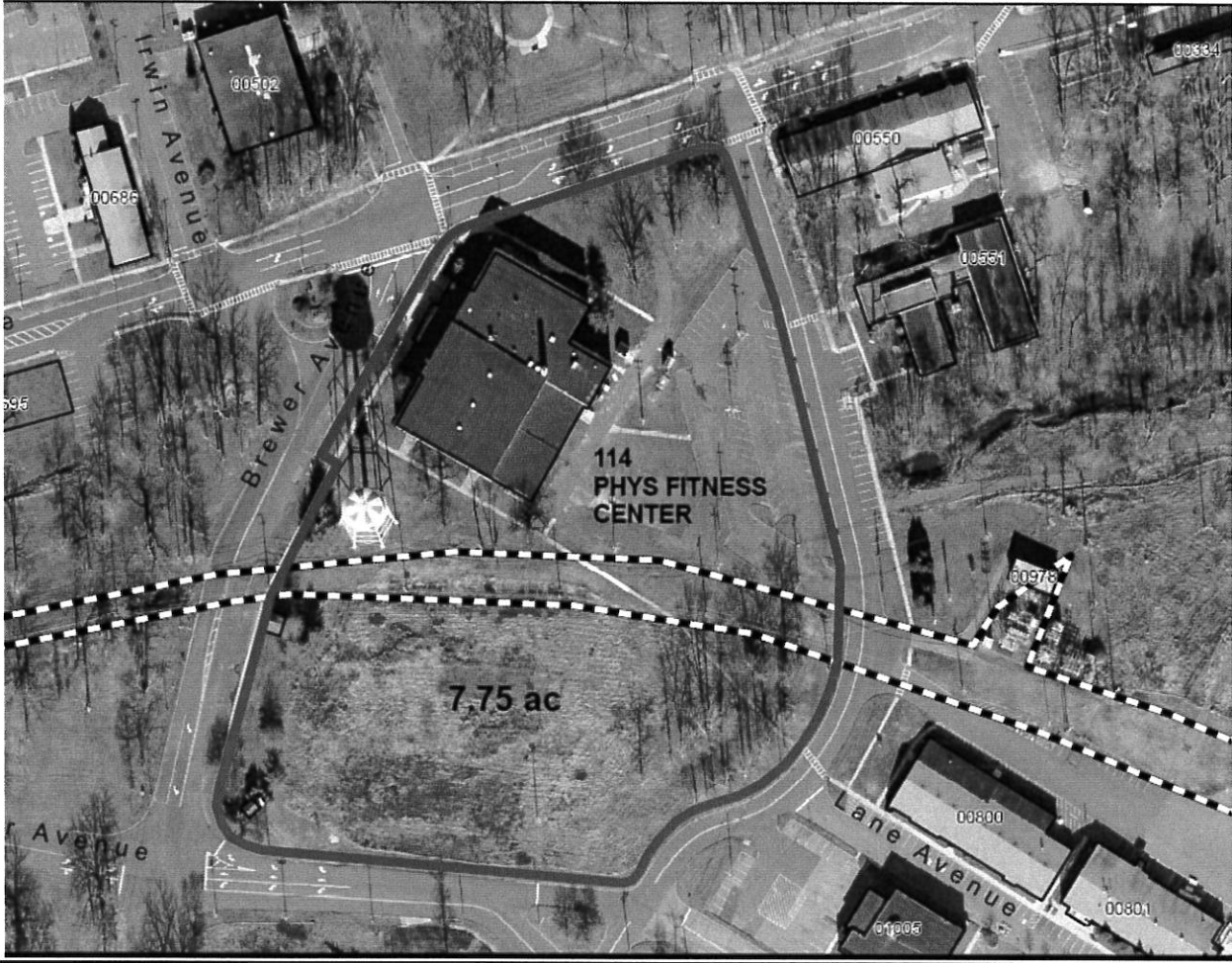
Staff requests that the Board approve the Authority's execution of a Purchase and Sale & Redevelopment Agreement with FM Partners, LLC for the Fitness Center parcel in the Oceanport Reuse Area.



Bruce Steadman
Executive Director

Attachment: Parcel Map
Prepared by: David E. Nuse

FITNESS CENTER PARCEL MAP



ATTACHMENT

[The attachment that the preceding memo refers to has been removed from this full agenda.]

ADOPTED
June 17, 2015

**Resolution Regarding
Approval to Make the Barker Circle Complex, the Lodging Area, Allison Hall and
Adjacent Properties and the Commissary Building Available
through the Offer to Purchase Process**

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

WHEREAS, section 9(j) of the Act authorizes the Authority to issue Requests for Proposals and section 9(bb) “to sell, exchange, assign, convey or otherwise dispose of any property” upon such terms and at such prices as it determines to be reasonable; and

WHEREAS, in accordance with Section 19:31C-2.5(a) of FMERA’s Rules for the Sale of Real and Personal Property, “[b]efore advertising a particular parcel of real property and accompanying personal property as being available for sale through the offer to purchase process, the Board shall review and approve a recommendation of the Director and FMERA [staff] to offer the property for sale through the offer to purchase process”; and

WHEREAS, the Barker Circle Complex is a grouping of five barracks buildings, approximately 30,000 sf each, and immediately adjacent to the barracks are the Main Post Firehouse and Kaplan Hall, all located in the Fort’s historic district; and

WHEREAS, the Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan) calls for the renovation of three of the five buildings into 75 units of housing, with the two remaining buildings, (buildings 206 and 208) adapted as municipal offices for the Borough of Oceanport, and the Firehouse and Kaplan Hall to be devoted to public and civic uses, respectively; and

WHEREAS, the Borough has advised that it does not need buildings 206 or 208 for public purposes; the Fire House is no longer needed as a fire house; FMERA staff has received significant interest in the Barker Circle Complex for renovation as housing and for alternate commercial uses; and the RFOTP process may allow greater flexibility for selecting the scenario that would maximize the development potential and economic value of the Barker Circle Complex because the buildings are closely spaced and will require shared parking and common areas; and

WHEREAS, Allison Hall is a 36,665 sf historic building located north of the Main Gate and fronting on Signal Avenue designated for office use in the Reuse Plan, and which is bordered on the south by a six acre mixed-use development site and on the north by Buildings 196, 199, 210 and 359, which are slated for demolition and replacement by a boutique hotel in the Reuse Plan; and

WHEREAS, FMERA staff has received specific interest in Allison Hall and its adjacent properties for the historic renovation of Allison Hall for commercial use and for compatible mixed-use development, and incorporating Allison Hall with adjacent properties into a single RFOTP process increases the potential for pursuing a comprehensive redevelopment of the area and could allow for cross-subsidization of the project elements and consistent design; and

WHEREAS, the Lodging Area consists of eight buildings located in Oceanport adjacent to Parker's Creek: Buildings 360 through 365 containing approximately 250 units and Buildings 270 and 271 consisting of historic properties, with Building 270 pledged for conveyance to the Affordable Housing Alliance under one of FMERA's Legally Binding Agreements; and

WHEREAS, Buildings 361 through 365 are designated for demolition in the Reuse Plan in connection with the development of a boutique hotel, and Buildings 360, 270 and 271 are slated for historic renovation as housing; and

WHEREAS, FMERA staff has received significant interest from prospective purchasers in the Lodging Area for retention and renovation of the buildings for health, wellness and conference uses or non-profit uses, and negotiation may be necessary to ensure that FMERA's redevelopment and planning objectives are met and that the value of the property, and the historic district, are maximized because the buildings are closely spaced, requiring shared parking and common areas; contain both historic and non-historic structures; and are interconnected with the abutting Officer Housing and Allison Hall parcels; and

WHEREAS, the Commissary is a 53,700 building that the Reuse Plan envisions as a future retail building; and

WHEREAS, FMERA staff has received specific interest in the Commissary for renovation into an alternate commercial use, and several factors that were not anticipated at the time of Reuse Plan adoption together will re-shape the configuration of surrounding Development District and diminish the potential for reusing the Commissary for retail; and

WHEREAS, the four parcels are Phase 2 properties under FMERA's letter of intent with the Army and FMERA anticipates executing an Economic Development Conveyance Agreement ("EDC") later this year; and

WHEREAS, for the reasons set forth in the attached memorandum, staff recommends offering these properties for sale through the offer to purchase process, and based on the anticipated future uses of the parcels, Reuse Plan amendments or variances will be necessary, and the Requests for Offers to Purchase will indicate this to prospective purchasers; and

WHEREAS, the Real Estate Committee has reviewed and discussed making these four parcels available through the offer to purchase process and recommends them to the full Board of Members for approval.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves making the Barker Circle Complex, the Lodging Area, Allison Hall and Adjacent Properties and the Commissary Building available through the offer to purchase process.

2. The Authority Authorizes the Executive Director to take all necessary actions to effectuate the issuance of the Requests for Offer to Purchase and the notices of availability for sale through the offer to purchase process.

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 shall approve the same, in which case such action shall become effective upon such approval, as provided by the Act.

Dated: June 17, 2015
ATTACHMENT

EXHIBIT 3

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Making the Barker Circle Complex, the Lodging Area, Allison Hall and Adjacent Properties and the Commissary Building Available through the Offer to Purchase Process

DATE: June 17, 2015

Request

I am requesting that the Board authorize the Fort Monmouth Economic Revitalization Authority (FMERA) staff to make Barker Circle, the Fire House and the Museum (the Barker Circle Complex), Allison Hall and its adjacent properties, the Lodging Area and the Commissary Building in Fort Monmouth's Oceanport Reuse Area available through the offer to purchase process, in accordance with FMERA's approved Sales Rules.

Barker Circle Complex

Located south of the Main Gate along Oceanport Avenue, Barker Circle is a grouping of five circa 1930 barracks buildings, approximately 30,000 sf each. Immediately adjacent to the barracks are the Main Post Fire House (Building 282) and Kaplan Hall (Building 275), built as a movie theater and later converted to the Fort's museum. These latter two buildings date from the mid-1930s. All seven buildings are located within the Fort's historic district and are designated for retention and rehabilitation in the Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan).

The Reuse Plan calls for the renovation of three of the five Barker Circle buildings into 75 units of housing, with the two remaining buildings (Buildings 206 and 208) adapted as municipal offices for the Borough of Oceanport. The Borough has advised that it does not need either building for public purposes, so staff is proposing to make Buildings 206 and 208 available for private redevelopment, preferably for non-residential use. Similarly, the Fire House is projected for continued use as a fire house in the Reuse Plan, but is no longer needed for that purpose; the Oceanport Police Department is subleasing the Fire House from FMERA on an interim basis through 2016. Kaplan Hall is designated for civic use in the Reuse Plan.

Staff proposes to combine Barker Circle, the Fire House and Kaplan Hall in a Request for Offers to Purchase (RFOTP). Given the Oceanport Police Department's occupancy of the Fire House, staff recommends designating the building for commercial reuse but including a provision in the RFOTP allowing FMERA to withdraw that building from the offering prior to execution of a Purchase and Sale & Redevelopment Agreement if the Fire House needed for continued public use. Staff recommends that the RFOTP expand the potential reuses for Kaplan Hall to include civic, commercial, museum or art-related use.

The redevelopment for uses other than currently contemplated in the Reuse Plan is subject to separate Board approval of a Reuse Plan amendment or a variance. To approve a Reuse Plan amendment, the Board would first approve the transmission of the proposed amendment to the three host municipalities for the municipalities to have an opportunity to provide comments and then would approve the responses to any comments and the proposed amendment itself. In this instance, because the RFOTP would seek offers with uses different than those in the Reuse Plan, the RFOTP will state that changes in use will be subject to a Reuse Plan amendment or a variance.

FMERA staff is eager to put Barker Circle and the adjacent historic buildings out for proposals so that they can be made available for redevelopment before further deterioration occurs. By bundling these properties in a single RFOTP, the project would be of a sufficient size to justify the use of historic tax credits.

The Board of Directors approved the Rules for the Sale of Real and Personal Property (the Sale Rules) at the August 17, 2011 Meeting of the Authority. In accordance with Section 19:31C-2.5(a) of the Sale Rules, before advertising a particular parcel of real property and accompanying personal property as being available for sale through the Offer to Purchase process, the Board shall review and approve a recommendation of the Director and FMERA to offer the property for sale through the Offer to Purchase process. In its determination to use the Offer to Purchase process, the Board also may consider various factors including, but not limited to, purchase price, jobs to be created and timing, to determine whether the offer to purchase process will enhance the economic value to FMERA or Fort Monmouth. After the RFOTP is issued and offers are received and negotiated, the Director and FMERA staff shall present a recommendation to the Board to accept an offer, to terminate negotiations regarding offers, or to take other appropriate action.

Authority staff recommends proceeding with the offer to purchase process for the Barker Circle Complex rather than sealed bids. This recommendation is based on several factors. First, a potential purchaser has expressed interest to FMERA staff in acquiring and renovating the property for housing, commercial and related uses. Second, as the buildings are closely spaced and will require shared parking and common areas, staff believes the RFOTP process may allow greater flexibility for selecting the scenario that would maximize the development potential and economic value of the Barker Circle Complex. Accordingly, staff believes that negotiation with respondents may be necessary to ensure that FMERA's objectives are met, and that the value of the property, and the historic district, are maximized.

Allison Hall and Adjacent Properties

Allison Hall (aka Building 209) is a 36,665 sf, circa 1928 building that served as the Fort's first permanent hospital. It was converted to office use when Patterson Hospital was constructed in 1962. The property is located north of the Main Gate fronting on Signal Avenue, and bordered on the east by Oceanport Avenue. The Reuse Plan proposes that Allison Hall be renovated for office use. Given the building's vintage, its small and irregular floorplates, and the general lack of demand for office space in the Monmouth County market, staff believes that Allison Hall should be repurposed for an alternate commercial use. One possible option is to incorporate the structure into the vision for a boutique hotel planned for the Parker's Creek waterfront. Consequently, staff recommends combining Allison Hall with the adjacent land and buildings to the north (Buildings 196, 199, 210 and 359), so that Allison Hall would have frontage on the creek and its future waterfront promenade. In addition, because Allison Hall fronts on a future six-acre, mixed use (retail, professional offices and housing) development site, the two properties need to be designed and constructed in concert so that Allison Hall's prominence is maintained. Accordingly, staff recommends combining the six-acre mixed-use development site bounded by Oceanport, Russel, Barton and Signal Avenues along with Allison Hall and the adjacent land and buildings to the north in a single RFOTP. Because the RFOTP would seek a use for Allison Hall that is different than the use in the Reuse Plan, the RFOTP will alert prospective purchasers that the change in use will be subject to Board approval of a Reuse Plan amendment or a variance.

Staff recommends proceeding with the offer to purchase process for Allison Hall and its adjacent properties rather than sealed bids. The Authority has received specific interest from prospective purchasers in acquiring the property for redevelopment. Additionally, by including adjacent properties in an RFOTP format, staff believes that the potential for pursuing a comprehensive redevelopment of the area that incorporates multiple properties is enhanced. Further, including the six-acre vacant land site along with the historic Allison Hall in this RFOTP could allow for cross-subsidization of the project elements and consistent design, and allow for greater flexibility in selecting the scenario that would maximize the development potential and economic value of Allison Hall.

The Lodging Area

The Lodging Area consists of eight buildings – 360 through 365, 270 and 271 – located in Oceanport, adjacent to Parker's Creek in the northeast quadrant of the Main Post. Buildings 360 through 365 contain approximately 250 units in various configurations: single rooms, suites and small apartments. Two of the buildings, 360 and 365, were used by FEMA in 2013 and 2014 to house families displaced by Sandy. Two others, 270 and 271, are historic properties; Building 270 is pledged to the Affordable Housing Alliance for supportive housing under one of FMERA's Legally Binding Agreements. The Reuse Plan designates buildings 270, 271, and 360 for reuse as housing and the remainder of the Lodging Area to be replaced by a boutique hotel and spa and a waterfront promenade.

Two parties have expressed interest in purchasing the Lodging Area for retention and reuse, one for health, wellness and conference uses, and the other for a non-profit use. Neither would utilize the property for permanent housing. Prior to issuing an RFOTP, the Authority's broker, Cushman & Wakefield, would market the Lodging Area for hotel, conference and related uses. Staff believes that it is appropriate to retain some or all of the existing buildings for one or more

of these uses, but specifically excluding permanent residences. Any development of the property must include the planned waterfront promenade.

Given the commitment FMERA has made to the Affordable Housing Alliance, the RFOTP will indicate that our ability to convey Building 270 is subject to FMERA identifying a suitable replacement facility for supportive housing in the Oceanport Reuse Area. The RFOTP will also indicate that the change in use for Building 270 is subject to Board approval of a Reuse Plan amendment or a variance. Additionally, any change from residential use would be accommodated in a more suitable area in Oceanport.

Authority staff recommends proceeding with the offer to purchase process for the Lodging Area rather than sealed bids. As indicated above, two potential purchasers have expressed interest to FMERA staff in acquiring and renovating the property. Second, as the buildings are closely spaced, requiring shared parking and common areas; contain both historic and non-historic structures; and are interconnected with the abutting Officer Housing and Allison Hall parcels, staff believes that negotiation with respondents may be necessary to ensure that FMERA's redevelopment and planning objectives are met, and that the value of the property, and the historic district, are maximized.

Commissary

One of the newer buildings on the Fort, the 53,700 sf Commissary was completed in 1998. The Reuse Plan envisions the Commissary as a future retail building that could serve the residential and commercial occupants of the Oceanport Education/Mixed-Use Neighborhood. However, given its location at Murphy Drive and Razor Avenue, the Commissary does not have frontage on a major thoroughfare, so it is unlikely to attract a significant retail user, and the building is larger than needed for neighborhood convenience retail use. Recently, FMERA staff has received interest in the Commissary for office/R&D uses. While this use is not consistent with the Reuse Plan, staff notes that several factors that were not anticipated at the time of Reuse Plan adoption will combine to re-shape the configuration of the Oceanport Education/Mixed-Use Neighborhood development district. They include the reuse of the Patterson Clinic by AcuteCare; retention of the credit union on Alexander Avenue; the potential reuse of buildings that had been planned for demolition in the 900 Area for municipal purposes; and the likely realignment of Razor Avenue to accommodate the proposed Oceanport elementary school and a future Jersey Central Power & Light Company substation. Given this altered landscape, the potential for reusing the Commissary for retail use is diminished, opening the door to more appropriate and potentially higher uses.

Staff recommends proceeding with the offer to purchase process for the Commissary rather than sealed bids. The Authority has received specific interest from a prospective purchaser in acquiring the property for redevelopment. Additionally, staff believes that the RFOTP process would increase the Authority's ability to coordinate the design and redevelopment of the Commissary with that of the surrounding area, where the future land uses remain in flux.

The four parcels discussed above are Phase 2 properties covered by FMERA's June 17, 2014 Letter of Intent with the Army. We anticipate executing an Economic Development Conveyance Agreement and closing with the Army on the Phase 2 properties later this year. Based on the

anticipated future uses of these parcels, Reuse Plan amendments or variances will be necessary, and the RFOTP will indicate this to prospective purchasers.

The Real Estate Committee has reviewed and discussed the request to make all the above properties available through the offer to purchase process, and recommends Board approval.

Recommendation

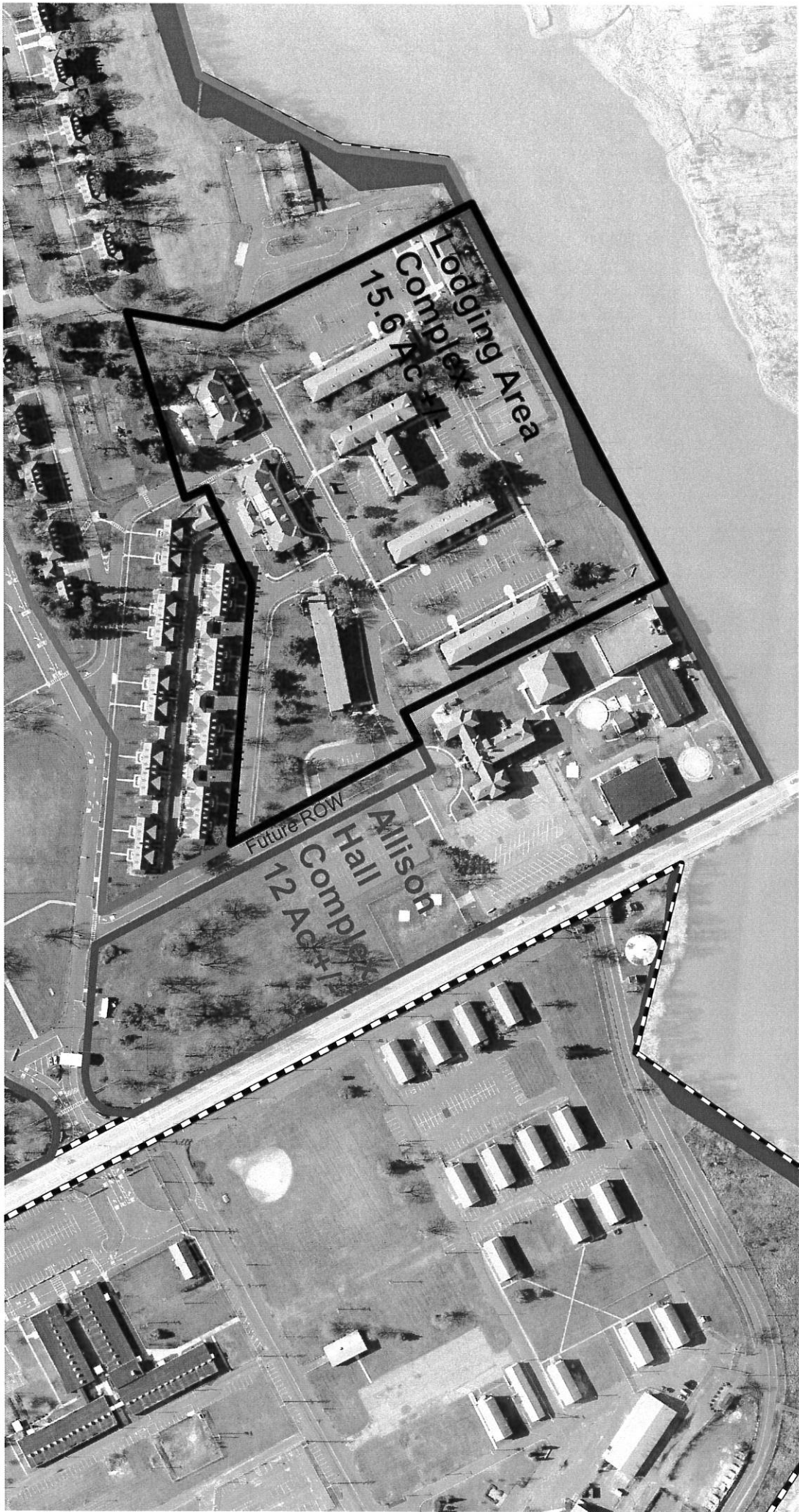
In summary, I am requesting that the Members of the Real Estate Committee recommend that the Board authorize the staff of the Fort Monmouth Economic Revitalization Authority staff to make the Barker Circle Complex, Allison Hall and its adjacent properties, the Lodging Area and the Commissary Building in Fort Monmouth's Oceanport Reuse Area available through the offer to purchase process, in accordance with FMERA's approved Sales Rules.



Bruce Steadman
Executive Director

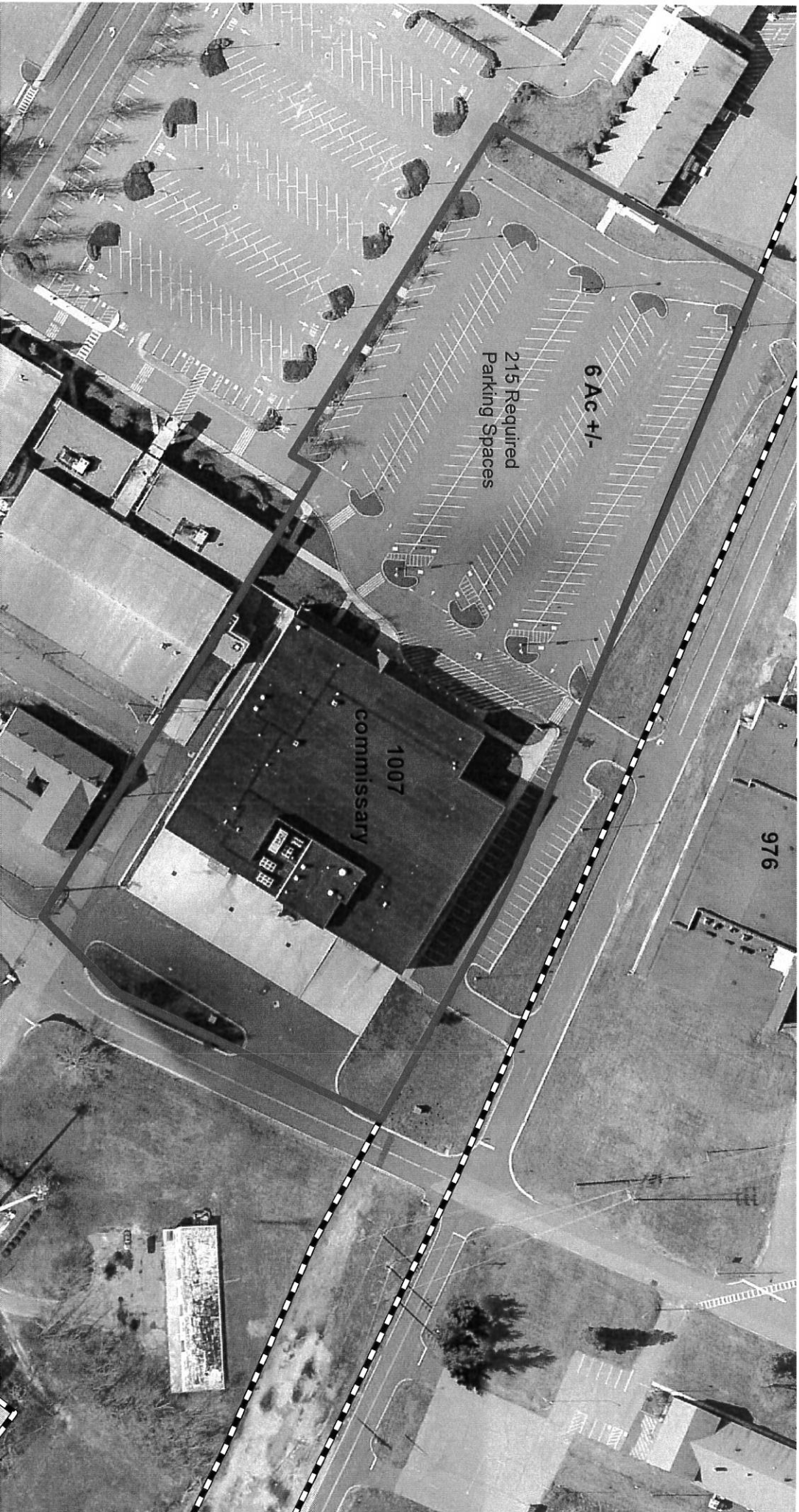
Attachment: Parcel Maps
Prepared by: David E. Nuse





Lodging Area
15.6 Ac

Future ROW
Allison Hall Complex
12 Ac



1007
commissary

215 Required
Parking Spaces

6 Ac +/-

976

**ADOPTED
June 17, 2015**

Resolution Regarding
**Extension to September 15, 2015 of the Use and Occupancy Memorandum of
Understanding (MOU) for the Megill Housing Parcel in Eatontown**

WHEREAS, in October, 2014, the New Jersey Department of Human Services (DHS) contacted the Authority for the use of temporary housing of possible asymptomatic health care workers returning to the United States from Africa; and

WHEREAS, DHS indicated that the Fort Monmouth site would be used in conjunction with another location in northern New Jersey, and that only health care workers returning to the U.S. through Newark Airport would be possible occupants of the quarantine housing; and

WHEREAS, after review of other possible Fort Monmouth locations (including the Lodging Area in the Oceanport portion of the Fort), it was determined that the Megill Housing site offered DHS maximum security and confidentiality for any occupants with minimal impact to FMERA's daily operations; and

WHEREAS, on December 23, 2014, FMERA and DHS executed a Memorandum of Understanding (MOU) for the use of Megill Housing in Eatontown with an option to renew subject to both DHS and FMERA agreeing at least 30 days prior to June 30, 2015; to date, DHS has not housed anyone in the Megill Housing; and

WHEREAS, on May 29, 2015, FMERA received a letter from DHS requesting a 6 month renewal from July 1, 2015 through December 31, 2015 as DHS actively searches for a substitute site; and

WHEREAS, after discussions with FMERA and the Real Estate Committee, DHS has proposed a limited renewal until September 15, 2015 at which time DHS will vacate the site entirely; and

WHEREAS, the Real Estate Committee reviewed this matter and recommended presenting it to the full Board of Members.

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons described in the attached memorandum, the Authority approves the extension to September 15, 2015 of the Use and Occupancy Memorandum of Understanding (MOU) with the Department of Human Services for the Megill Housing Parcel in Eatontown.

2. The Authority authorizes the Executive Director to execute the extension as generally outlined in the attached Board memorandum.

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

Dated: June 17, 2015
ATTACHMENT

EXHIBIT 4

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Extension to September 15, 2015 of the Use and Occupancy Memorandum of Understanding (MOU) for the Megill Housing Parcel in Eatontown

DATE: June 17, 2015

Request

I am requesting that the Board authorize the execution of an extension to September 15, 2015 of the Memorandum of Understanding (MOU) with the Department of Human Services (DHS), executed on December 23, 2014, commencing on January 1, 2015, and expiring on June 30, 2015, regarding the Megill Housing Parcel in Eatontown.

Background

In October of 2014, DHS representatives approached FMERA staff regarding establishing a site at the former Fort Monmouth for the temporary housing of asymptomatic (potentially exposed, but not exhibiting symptoms) health workers returning to the United States from Africa. As part of New Jersey's response to the Ebola outbreak, DHS was looking for sites to house these asymptomatic health workers for the required 21-day quarantine period.

DHS indicated that the Fort Monmouth site would be used in conjunction with another location in northern New Jersey, and that only health workers returning to the United States through Newark Airport would be possible occupants of the quarantine housing. After review of other possible Fort Monmouth locations (including the "lodging area" in the Oceanport portion of the Fort, previously used by the Federal Emergency Management Agency), it was determined that the Megill Housing site (contained within the Golf Course property) offered DHS maximum security and confidentiality for any occupants, with minimal impact to FMERA's daily operations. DHS indicated that the potential for use of the Megill Housing site was low, and that DHS would pay all costs associated with operation, maintenance, and preparation of the Megill Housing units.

DHS asked for a renewal option for a second 6-month period that would run from July 1, 2015 through December 31, 2015. The original MOU allowed this renewal subject to agreement by both DHS and FMERA prior to June 30, 2015. On May 29, 2015, FMERA received a letter from DHS requesting the 6-



month renewal. DHS Acting Commissioner, Elizabeth Connolly, has stated to FMERA staff and the Real Estate Committee that DHS is actively searching for a substitute site to the Megill Housing site, elsewhere in New Jersey. After discussions with staff and the Committee, DHS has proposed a limited renewal to September 15, 2015 as an alternative, at which time DHS would vacate the site entirely, irrespective of any use or occupancy at the time, and would no longer look to Fort Monmouth as a potential site. To date, DHS has not housed anyone in the Megill Housing.

At FMERA's June 9, 2015 Real Estate Committee meeting, Acting Commissioner Connolly outlined DHS' interest in the Megill Housing site, and its request for this limited renewal to September 15, 2015. Further, the Acting Commissioner committed to vacating the site entirely, irrespective of any use or occupancy by DHS, by September 15, 2015. At the same meeting, FMERA staff outlined its desire to issue the Request for Offers to Purchase (RFOTP) for the Golf Course property (inclusive of the Megill Housing site) in mid-July 2015, with tours for prospective bidders to begin by the third week of September 2015. FMERA staff indicated that extending the MOU with DHS to September 15, 2015 would have minimal impact to the RFOTP process, that the RFOTP would still be issued in mid-July and any tours with prospective bidders would begin some 60 days later (on or after September 16, 2015), after the expiration of the MOU. Upon its review, the Real Estate Committee recommended presenting this matter to the Board.

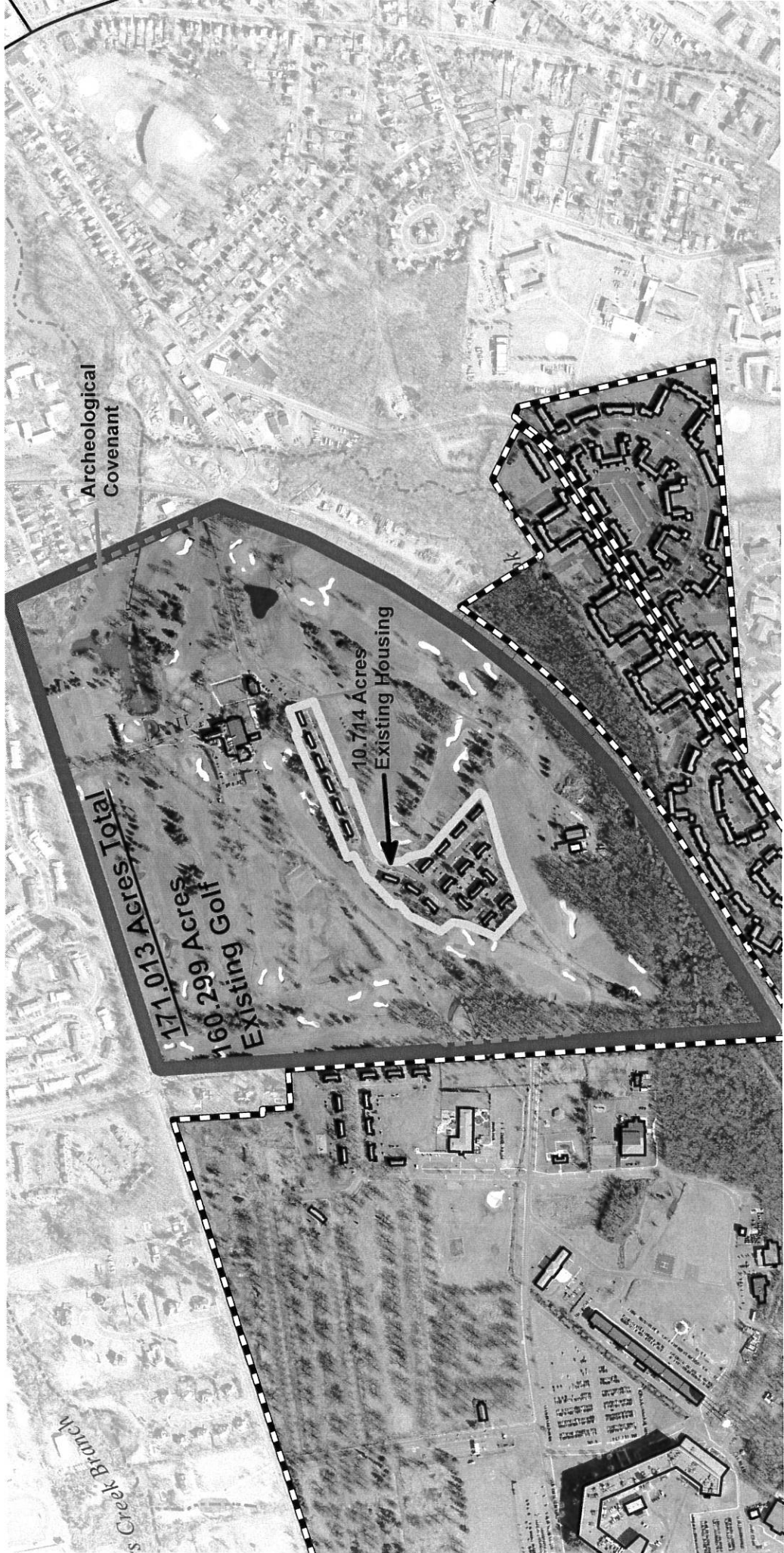
Recommendation

Based on the DHS desire to support New Jersey's response to the Ebola outbreak, and based on the DHS need for a short-term location to house any asymptomatic health workers returning to the United States through Newark Airport, and based on DHS Acting Commissioner Elizabeth Connolly's commitment to find an alternative location and her commitment on behalf of DHS to vacate the Megill Housing site irrespective of any use or occupancy on September 15, 2015, I hereby recommend to the FMERA Board that it authorize me to execute an extension to September 15, 2015 of the MOU with DHS for Use and Occupancy of the Megill Housing Parcel in Eatontown.



Bruce Steadman
Executive Director

Attachment: Parcel Map
Prepared by: Bruce Steadman



Archeological
Covenant

171,013 Acres, Total
160,299 Acres
Existing Golf

10,714 Acres
Existing Housing

Creek Branch