

TO: Members of the Board

FROM: Bruce Steadman
Executive Director and Secretary

DATE: July 20, 2016

SUBJECT: Agenda for Board Meeting of the Authority

1. **Call to Order – James V. Gorman, Chairman**
2. **Pledge of Allegiance**
3. **Notice of Public Meeting - Roll Call – Bruce Steadman, Secretary**
4. **Approval of Previous Month’s Board Meeting Minutes**
5. **Approval of Previous Month’s Executive Session Minutes**
6. **Welcome – James V. Gorman, Chairman**
7. **Secretary’s Report**
8. **Treasurer’s Report**
9. **Public Comment Regarding Board Action Items**
10. **Executive Director’s Report:**
 - Update on Meetings with Army Representatives
 - Update on Requests for Proposals (RFPs) and Contracts
 - Update on Requests for Offers to Purchase (RFOTPs)
 - Update on Marketing Effort
 - Action Items for Next Month
11. **Committee Reports**
 - Audit Committee – Robert Lucky, Chairman
 - Real Estate Committee – James V. Gorman, Chairman
 - Environmental Staff Advisory Committee – Kenneth J. Kloo, Chairman
 - Historical Preservation Staff Advisory Committee – Bruce Steadman, Interim Chairman

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

12. **Other Board Actions**

- a. Consideration of Approval of Plan Amendment #6 Permitting Additional Development Scenario in Oceanport
- b. Consideration of Approval of Memorandum of Understanding with NJ Economic Development Authority for Parcel F-1 in Tinton Falls
- c. Consideration of Approval of Deed of Roadway Dedication to County of Monmouth for Avenue of Memories a/k/a County Route 537 Extension
- d. Consideration of Approval of Purchase and Sale Agreement & Redevelopment Agreement for Motor Pool in Eatontown
- e. Consideration of Approval for Legally Binding Agreement, Administrative Letter and Purchase and Sale Agreement & Redevelopment Agreement for Emergency Homeless Shelter in Oceanport
- f. Consideration of Approval to Adopt a Reimbursement Resolution for Potential Financing of FMERA's Purchase of the Phase 2 Properties

13. **Other Items**

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

- Responses to questions submitted online or in writing

15. **Adjournment**

**Fort Monmouth Economic Revitalization Authority
Board Meeting
June 15, 2016
FMERA Offices, 502 Brewer Avenue, Oceanport, NJ**

MINUTES OF THE MEETING

Members of the Authority present:

- James V. Gorman, Chairman, Fort Monmouth Economic Revitalization Authority (FMERA) – V
- Michael Collins Assistant Counsel, Authorities Unit, Office of the Governor – V
- Lillian Burry – Monmouth County Freeholder – V
- Dr. Robert Lucky – Public Member – V
- Gary Baldwin, Tinton Falls Borough Council President – V
- Jay Coffey, Mayor of Oceanport – V
- Dennis Connelly, Mayor of Eatontown – V
- Tim Lizura, President & Chief Operating Officer, NJ Economic Development Authority – V
- Kenneth J. Kloo, Directory, Site Remediation Program, NJ Department of Environmental Protection
- Gina Fischetti, Chief Counsel, Local Planning Services, NJ Department of Community Affairs
- Helene Rubin, Section Chief, Division of Statewide Planning, NJ Department of Transportation (DOT)
- John Raue, Senior Policy Advisor to the Commissioner, NJ Department of Labor & Workforce Development

V – Denotes Voting Member

Members not present:

Also present:

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

The meeting was called to order by Chairman James V. Gorman at 7:00p.m. who led the meeting in the Pledge of Allegiance to the flag of the United States of America.

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

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

Motion to Approve: TIM LIZURA Second: JAY COFFEY
AYes: 8

WELCOME

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

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

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

The Chairman went on to state that there will be two public comment periods at the meeting based on the Authority's public meetings protocol, 3 minutes per speaker for the first, 5 minutes per speaker for the second. The Chairman reiterated his request for the public's cooperation in keeping comments as brief as possible. The Chairman continued by stating that in his role as Chairman he is required to conduct an orderly meeting and complete the meeting agenda in a reasonable time period. The Chairman concluded by stating that FMERA continues to welcome the public's constructive comments and ideas.

SECRETARY'S REPORT

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

TREASURER'S REPORT

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

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

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

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

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

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

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

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

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

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

PRESENTATION FROM ARMY REPRESENTATIVE

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

EXECUTIVE DIRECTOR'S REPORT

Kara Kopach, Senior Development Officer, stated that FMERA and the Army have held discussions on the future transfer of the balance of the Main Post since March 2014, when the terms of the Phase 2 purchase were finalized, to be accomplished under a Phase 2 Memorandum of Agreement (MOA). After receiving support from the Board for the proposed terms negotiated by FMERA staff and Army representatives for the Authority's acquisition of the balance of the Main Post, staff submitted the Phase 2 Economic Development Conveyance (EDC) application on July 1, 2014. At the April 2016 meeting of the Board, staff presented a substantially final form of the Phase 2 MOA, which the Board approved. FMERA was notified this week that the review of the MOA and EDC package is completed and formal notice will follow. FMERA is working toward a late summer 2016 closing with the Army. The public comment period for the Phase 2 Finding of Suitability to Transfer, the

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

Update on RFPs and Contracts

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

Auctioneer

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

Utilities

- FMERA continues to plan for upgrades to utility systems and working with the public utilities and our subcontractors to ensure required utilities are safe and operational. There have been meetings with Two Rivers Water Reclamation Authority (TRWRA), and the three borough's engineers and officials to plan a path forward for both sanitary sewer and water service.
- Engineering and design is underway for the water main application to NJAW to accommodate the historic housing development, the fitness center, FMERA offices and additional pending building sales in the area surrounding the historic district.
- FMERA is also discussing roadways, public rights of way and easements with the three Boroughs.
- The transfer agreement for the Charles Wood Electrical system to JCP&L was approved at the April board meeting and is in the process of being executed. This agreement will also serve as a template for a Phase 2 agreement which is currently under discussion. FMERA recently received a presentation from JCP&L in relation to the proposal to modernize and upgrade transmission lines in Monmouth County, which will benefit nearly 214,000 JCP&L customers, including future tenants and developers of Fort Monmouth property.

Suneagles Golf Course

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

Property Management/Maintenance

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

Marina

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

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

Appraiser Request for Qualifications

- FMERA issued a Request for Qualifications (RFQ) for Real Estate Appraisal Services on March 17th. The responses were due on April 15th and 10 responses were received. An evaluation committee will be evaluating the proposals for compliance.

Candice Valente, Senior Marketing Officer gave the following town-by-town summary of the status of redevelopment projects.

In Oceanport, FMERA has executed contracts on 3 parcels:

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

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

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

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

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

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

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

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

In Tinton Falls, FMERA has executed contracts on another four projects:

- Parcels C and C1, with Lennar Corporation approved for 288 residential units over the two parcels, and up to 58,000 square feet of retail development;
- Fabrications Shops (Pinebrook Road Commerce Center), 45,000 square feet of light industrial and flex office space buildings along Pinebrook Road for sale to Pinebrook Commerce Center, LLC;

- Pistol Range and Satellite Road Parcel, under contract with Kiely Realty Group for the reuse and upgrades to the former Pistol Range, and additional office and commercial uses on the combined approximately 5 acre parcel.
- Parcel F-3, the former gas station and convenience store along Hope Road, which the Monmouth County Park System will utilize in conjunction with the adjacent Recreation Center and Swimming Pool, to expand services and public open space amenities.
- Recreation Center and Swimming Pool, under contract to the Monmouth County Park System, is currently open to the public through a lease with the County.

FMERA issued an RFOTP for the Charles Wood Fire Station on May 6th, on an approximately 4 acre parcel along Corregidor Road in the Tinton Falls Reuse Area. FMERA is seeking proposals to either reuse the Fire Station and adjacent property for a civic/institutional use, or for an adaptive reuse of the building for commercial/retail uses. Proposals are due on July 8th.

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

FMERA staff actively markets the Fort to the real estate industry by participating in conferences and events throughout the region. Members of the Real Estate Department are planning future events centered around the Governor's Housing and Economic Development Conference in September. FMERA also plans to host tours of the Fort for the local community this spring and summer.

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

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

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

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

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

Mr. Steadman listed the following action items:

- Continued work with the N.J. Department of Environmental Protection to identify and resolve environmental issues of concern
- Continued meetings and tours with interested prospective employers and investors
- Continued outreach to our stakeholders in the 3 host municipalities, the County and others
- Continued collaboration with the NJEDA Trenton Office on marketing and business development opportunities

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

COMMITTEE REPORTS

a) AUDIT COMMITTEE (ROBERT LUCKY, CHAIRMAN)

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

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

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

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

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

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

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

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

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

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

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

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

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

BOARD ACTIONS

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

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

Candice Valente read a summary of the Board memo.

The resolution is attached hereto and marked Exhibit 1.

OTHER ITEMS

There were no other items before the Board.

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

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

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

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

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

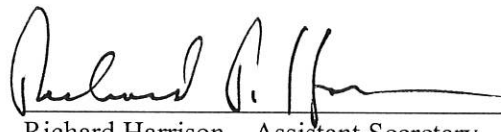
A motion was made by Michael Collins and was seconded by Tim Lizura.

The Board adjourned the Public Session of the meeting and entered into Executive Session – OPMA Exemption N.J.S.A. 10:4-12b(5) and (7): Update on Financing Negotiations with the County of Monmouth.

On a motion by Lillian Burry, seconded by Jay Coffey and unanimously approved by all voting members present, the Board adjourned the Executive Session at 8:50p.m. and opened the Public Session.

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

Certification: The foregoing and attachments represent a true and complete summary of the actions taken by the Fort Monmouth Economic Revitalization Authority at its Board meeting.


Richard Harrison – Assistant Secretary

**ADOPTED
June 15, 2016**

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

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

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

WHEREAS, at the Authority's August 26, 2015 meeting, the Board authorized FMERA staff to enter into a Purchase and Sale Agreement and Redevelopment Agreement (PSARA) with FM Partners; and

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

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

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

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

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

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

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the amendment to the Purchase and Sale Agreement and Redevelopment Agreement with Lennar Corporation for Parcel C and Parcel C1 in Tinton Falls, on terms substantially consistent to those set forth in the attached memorandum and with final terms acceptable to the Executive Director and the Attorney General's Office, and authorizes the Executive Director to execute the amendment and take any necessary actions to effectuate the selection of Lennar Corporation as the purchaser of Parcel C and Parcel C1.

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

Dated: June 15, 2016
ATTACHMENT

EXHIBIT 1

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

DATE: July 20, 2016

SUBJECT: Monthly Status Report

Summary

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

Treasurer's Report

1. Grant Application
The Authority has submitted a Grant Application to the Office of Economic Adjustment (OEA) in support of the Authority's operations. This grant period represents the final year of funding from OEA. No word has been received yet from OEA on this application.
2. Second Quarter Financial and Operational Summary
With the close of the second quarter on June 30th, FMERA staff has begun preparing the financial and operational summary for the first half of 2016. Staff will be meeting to review the first six months of 2016 and assess the performance against the 2016 organization goals. FMERA staff will present the financial and operational summary report to the Audit Committee at their next meeting.
3. Phase 2 Financing
FMERA staff and counsel participated in meetings and conference calls over the past month with representatives of the County of Monmouth and the Monmouth County Improvement Authority regarding FMERA's requested Phase 2 financing. Staff will be presenting a reimbursement resolution for the Board's consideration at tonight's meeting. The balance of the financing documents are currently in preparation, and staff plans to seek Board approval for those items at the August meeting.

Executive Director's Report

1. Update on Meetings with Army Representatives

FMERA and the Army have concluded discussions on the impending transfer of the balance of the Main Post, to be accomplished under a Phase 2 Memorandum of Agreement (MOA). After receiving support from the Board for the proposed terms negotiated by FMERA staff and Army representatives for the Authority's acquisition of the balance of the Main Post, staff submitted the Phase 2 Economic Development Conveyance (EDC) application on July 1, 2014, and it has been approved by the Army. At the April 2016 meeting of the Board, staff presented a substantially final form of the Phase 2 MOA, which the Board approved. The Army and FMERA are working toward a fall 2016 closing with the Army. The public comment period for the Phase 2 Finding of Suitability to Transfer (FOST), the Army's environmental history document, closed at the end of May, and the Army is in the process of preparing its responses to public comments received.

2. Update on RFPs and Contracts

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

Auctioneer

FMERA auctioned the GeoProbe vehicle on July 13. There were 5 bidders and the winning bid was for \$15,000. FMERA is planning on some large auctions in the fall once the Phase 2 property transfers. In the meantime The Auctioneer's Group will be prepping the Phase 2 buildings for the fall auctions.

Utilities

FMERA continues to plan for upgrades to utility systems, and to work with the public utilities and our subcontractors to ensure required utilities are safe and operational. The Oceanport Engineer under an MOU between the Borough and FMERA is completing work on design of a water main extension to accommodate the historic district development, the fitness center, FMERA offices and additional pending sales in the area surrounding the historic district. FMERA is also discussing roadways, public rights of way and easements with the three Boroughs and the County of Monmouth. The transfer agreement for the Charles Wood Electrical system to JCP&L was approved at the April board meeting and has been executed. This agreement will also serve as a template for a Phase 2 electrical agreement which is currently under discussion. FMERA is also working toward an MOU with Two Rivers Water Reclamation Authority to define the terms and responsibilities for the future maintenance and operation of the existing sanitary sewer system and the transition to a proposed new system serving the Oceanport area of the Fort.

Suneagles Golf Course

LINX Golf Management, FMERA's operator, reports – "The second quarter got off to a poor start with unseasonably colder weather which kept rounds down and kept the greens from healing after aeration. We are now playing catch up. Through the second half of June business has stabilized, rounds are increasing and the course is in great shape. We are getting a lot of compliments on a daily basis. Overall though, we are still down 1,200+ rounds compared to last year. We hope to catch up during this busy golf season. Broadleaf weed control is 75% complete on roughs and fairways. Second pre-emergent crabgrass control is totally complete. This will all but eliminate that nasty crabgrass that sprouts up each year. Irrigation system mostly operational (few heads not working automatically). Greens are healed and very healthy. We will commence with bi-weekly verticutting this upcoming week. Weekly tee patching is ongoing and has been a big difference

compared to years past. Planning on slicing fairways prior to the onset of high temps. Bunker edging ongoing.”

Property Management/Maintenance

Our property management/maintenance team, Chenega Operations Services and the Army Caretakers have been busy keeping our property presentable and secure, and monitoring buildings and properties for current marketing purposes. The recent summer storms have kept them busy checking and clearing roof and floor drains, storm sewer basins, and making minor repairs due to storm related damage. FMERA is also preparing for the transition of maintaining the Phase 2 property when transferred to FMERA. Thank you to the County Highway District, the Oceanport DPW, the Eatontown DPW and the Tinton Falls DPW for their help and support.

Marina

Marina at Oceanport, FMERA’s operator, reports: “Summer started off with a bang at the Marina. Memorial Day Weekend was beautiful and allowed customers to enjoy food, drinks and entertainment on the deck, while soaking in the beautiful view. Our lunch business continues to grow and we hope to continue to get the word out that we can provide either a quick business lunch or a leisurely lunch for those who want to relax. Our lunch menu features a \$12 lunch combo where the customers choose a cup of soup and a half sandwich. Additionally, our new food menu has been well received by customers. We kept old favorites, like clam chowder, eggplant parmigiana and our seafood risotto but added new dishes to keep the menu fresh. We also have brought back the raw bar for the summer. In addition we have launched a new cocktail menu which features a jalapeno/pineapple margarita, a Bloody Mary with bacon and shrimp, and red or white sangria. Boats are continuing to be docked at the marina and we look forward to the dock and diners this upcoming season. As we approach our one year anniversary we are excited about this summer and continue to do our best to serve the community.”

Appraiser Request for Qualifications

FMERA issued a Request for Qualifications (RFQ) for Real Estate Appraisal Services on March 8th. Through this RFQ, the Authority sought to establish a pre-qualified pool of five (5) to ten (10) qualified firms to provide these services on an as needed basis. The responses were due on April 15th, and 10 responses were received. Staff is in the process of evaluating these for compliance and scoring.

3. Update on RFOTPs

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

In **Oceanport**, FMERA has executed contracts on 3 parcels:

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

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

- Nurses Quarters, a 24-unit residential complex on Main Street adjacent to the former Patterson Army Hospital;
- Dance Hall, the 16,000 square-foot recreation building on Brewer Avenue, which is projected for commercial reuse;

- Marina, currently approved for exclusive negotiations with AP Development Partners, LLC, and contemplated for a marina/public boat ramp and restaurant.

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

FMERA has received Board approval to issue RFOTPs for several other properties in Oceanport, including Barker Circle, Allison Hall, the Main Post Chapel and the Lodging Area. The many issues to be resolved that are associated with the closing with the Army have delayed the issuance of these RFOTPs.

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

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

FMERA issued an RFOTP for 6 former barracks buildings on Semaphore Avenue in Eatontown. FMERA is seeking proposals to use the approximately 4.4-acre parcel for a use consistent with the Reuse Plan, namely open space, or for an alternate use which includes the reuse of Buildings 1102 through 1107 for a cultural center that promotes the arts, music, entertainment or a museum, including up to 12 units of artist short-term residential space, or for a non-residential arts-based use. The potential purchaser and any subsequent owners will be required to maintain the 2 existing monuments and the approximately 2 acre Soldiers Park as open space following transfer of title. Proposals are due on August 29th.

FMERA is also exploring options for the reissuance of an RFOTP for the Suneagles Golf Course.

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

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

FMERA has executed contracts on another four projects:

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

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

FMERA issued an RFOTP for the Charles Wood Fire Station on May 6th, on an approximately 4 acre parcel along Corregidor Road in the Tinton Falls Reuse Area. FMERA is seeking proposals to either reuse the Fire Station and adjacent property for a civic/institutional use, or for an adaptive reuse of the building for commercial/retail uses. Proposals were due on July 8th and 5 proposals were received.

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

4. Marketing Update


FMERA and Cushman & Wakefield (Cushman), the Authority's Master Broker, will issue additional Requests for Offers to Purchase in the second half of 2016. FMERA and Cushman conduct several tours per week, and will be posting new flyers and information on available sites on FMERA's website in the coming weeks.

FMERA staff actively markets the Fort to the real estate industry by participating in conferences and events throughout the region. Members of the Real Estate Department are planning future events centered around the Governor's Housing and Economic Development Conference in September. FMERA also plans to host tours of the Fort for the local community this spring and summer.

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
July 20, 2016**

Resolution Regarding
**Approval of Sixth Plan Amendment Permitting Alternative Development Scenario in
Oceanport**

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

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

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

WHEREAS, in accordance with the FMERA Act and the Land Use Rules, the Board approved transmitting the proposed Reuse Plan amendment #6 to the host municipalities at its April 20, 2016 meeting; and

WHEREAS, the 45-day comment period commenced on May 13, 2016; and

WHEREAS, the comment period expired on June 23, 2016 and correspondence was received from Tinton Falls, Eatontown and Oceanport; and

WHEREAS, FMERA staff reviewed the correspondence and provided responses to all comments to the Real Estate Committee; and

WHEREAS, the Real Estate Committee reviewed the Reuse Plan amendment #6 and the responses to the comments from the three host municipalities, and recommends adoption of amendment #6.

THEREFORE, BE IT RESOLVED THAT:

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

2. As expressed in the attached memorandum, the Authority approves Amendment #6 to the Fort Monmouth Reuse and Redevelopment Plan that would permit an alternative development scenario in the Oceanport Reuse Area.

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

ATTACHMENT

Dated: July 20, 2016

EXHIBIT 1

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Recommendation to Approve Proposed Plan Amendment #6 Permitting
Alternative Development Scenarios in Oceanport

DATE: July 20, 2016

Request

I am requesting that the Board approve the proposed Amendment #6 to the Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan) that would permit alternative development scenarios in Oceanport.

Background

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

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

Development Contemplated under the Reuse Plan

The Reuse Plan currently envisions the redevelopment of the Oceanport Reuse Area for approximately 1.75 million square feet of non-residential uses and 720 residential units. The Reuse Plan included development of a high-tech/green industry cluster, education/medical

campus, a neighborhood center, a boutique hotel and spa, and expansive green space including the historic Parade Ground. The Oceanport Reuse Area also included civic/institutional reuse of two historic structures for a Municipal Complex next to mixed-income apartments at Barker Circle along Oceanport Avenue, a library near the high-tech/green industry cluster, and a new County Shelter along Sherrill Avenue. FMERA's HUD-approved Homeless Assistance Submission (HAS) called for a Homeless Shelter to be operated by the County and to be located in the Oceanport section of the Fort.

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

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

The Proposed Reuse Plan Amendment

The attached proposed Amendment #6 prepared by the Authority's planning consultant, Phillips Preiss Grygiel, LLC (PPG) encompasses approximately 16 acres of Fort Monmouth property in the Oceanport Reuse Area. The proposed Amendment maintains the Plan's land use concepts and plans while permitting a development scenario for the parcel with the primary purpose of relocating nonresidential, civic/institutional uses in Oceanport. The amendment includes the incidental relocation of residential units as well as new uses for the buildings no longer envisioned for municipal uses or for the county shelter. This includes the relocation of the Oceanport Municipal Complex to an approximately 13-acre parcel along Murphy Drive, for the renovation and reuse of four buildings for the Oceanport Police Department, the Borough Hall, the Department of Public Works, a municipal library, a court house and a potential community center. In addition, the County Shelter will also be located along Murphy Drive, in a 3-acre parcel that includes two buildings slated for demolition in the Reuse Plan. The County will construct an emergency shelter, and would no longer pursue the shelter envisioned along Sherrill Avenue. This parcel would be available for open space or office/R&D use in support of the adjacent Squier Hall complex. The buildings originally slated for a municipal complex include two buildings in Barker Circle; these buildings are now envisioned to hold the 32 residential units moving from the 16 acres, and/or office/R&D uses. The former Fire House, currently leased to the Oceanport Police Department, would be available for a retail or office/R&D use, in support of the adjacent Barker Circle uses.

The County previously operated an emergency homeless shelter on Fort property within Oceanport; the building flooded during Superstorm Sandy and was deemed unsalvageable. Similarly, the Borough of Oceanport suffered significant damage to municipal property as a

result of the storm. The need to establish locations that could serve the long-term needs of both entities and fulfill FMERA's obligation under the HAS, while also maintaining the goals and objectives of the Reuse Plan, lead to identification of the two parcels, totaling approximately 16 acres within the Oceanport Education/Mixed-Use Neighborhood development district, per the Land Use Rules.

This amendment supersedes the uses depicted for the 3-acre and 13-acre parcels in Amendment #2. Staff recommends these changes as the highest and best use for the site based on the results of discussions with the Borough of Oceanport and the County of Monmouth.

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

1. This Amendment would not change the total number of residential units planned in Oceanport. A total of 32 residential units would be relocated from the 16 acres to Buildings 206 and 208 in Barker Circle.
2. This Amendment affects only the Oceanport Reuse Area. As to those portions of the Oceanport Reuse Area not modified by this Amendment, their value and use is increased due to the relocation and centralization of the civic/institutional uses envisioned in this portion of the Fort.
3. This Amendment would maintain the overarching land use concepts, objectives and principles of the Reuse Plan; thus, the Reuse Plan would remain a rational coordinated land use plan.
4. This Amendment is consistent with the Authority's BRAC obligations and the Phase 2 Economic Development Conveyance (EDC) agreement currently pending final approval from the Army, in particular, with FMERA's obligation with regard to the County Homeless Shelter. The relocation of the civic/institutional uses will allow for more non-residential development, in the form of office and retail uses, and generate more positive fiscal impacts for both FMERA and the municipality.
5. The proposed Amendment includes changes to circulation envisioned in the Reuse Plan to address the land use changes, as well as the circulation envisioned in Plan Amendment #2. These changes take advantage of the existing street network. As indicated in the Reuse Plan, impacts on the existing gas, electric, water, wastewater and telephone utilities are to be evaluated at site plan review for a specific project.

In accordance with the Act and the Land Use Rules, on April 20, 2016, the FMERA Board approved the transmittal of proposed Amendment #6 to the governing body of each municipality for a 45-day comment period. The municipalities received Amendment #6 on May 13, 2016, upon expiration of the Governor's 10-day veto period; the comment period ended on June 23, 2016. The correspondence received from Eatontown, Tinton Falls and Oceanport is attached.

The letter from Eatontown's Borough Administrator states that the Eatontown Borough Council passed a resolution recommending approval of Amendment #6 and that no comment or feedback was received from the Planning Board. The letter from the Tinton Falls Council President states that the Borough Council reviewed the amendment and concurs with the proposed amendment without comment.

Oceanport's comment stated that Amendment #6 was reviewed by the Borough Planner, Borough Engineer, Environmental Commission, Planning Board, Police Department, First Aid, Fire Department and Office of Emergency Management. The Oceanport Borough Council passed a resolution including the comments received and supporting the proposed amendment. The Director of Building and Development and Fire Marshall had no objections and supported the location for the proposed uses. The Police Department had no comment other than to support the new location for the police. The Oceanport Planning Board discussed the proposed amendment at a Regular Meeting and supported the proposed amendment, with the following concerns raised: increased noise levels, location of the recycling center, the community garden and the emergency homeless shelter. The Borough's contracted planning firm provided a review of Amendment #6. The review noted that the amendment is consistent with the objectives and principles of the Reuse Plan, the Borough's Master Plan, and other municipal planning objectives. The review also noted that the amendment does not list any additional open space created to mitigate the loss in open space in the 3-acre parcel, and does not list an alternative use for the previous location of the emergency homeless shelter. Comments were also received from Oceanport Environmental Commission members raising the following concerns: the loss of open space should be accounted for and open spaces should be identified; the proximity of the municipal site to an "underground gas plume" offsite; water access northeast of Building 977; maintenance of mature trees; pedestrian and bike access to the site; public transportation access to the emergency homeless shelter; and the proximity of the shelter to the municipal library. The Office of Emergency Management agreed with the overall plan but noted the potential impact on the property due to flooding from a category 2 storm surge.

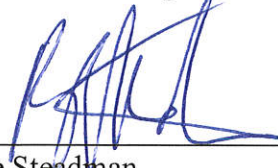
Per FMERA's Land Use Rules, Authority staff must review reports from each municipality and provide a preliminary analysis of reasons for accepting or not accepting recommendations received from host municipalities. Staff has considered the concerns and recommendations made, and would note the following: Future occupants of properties in the Oceanport Reuse Area of the former Fort are required to comply with the Borough's Noise Ordinance, including government buildings. Amendment #6 does not specify the location of a recycling center, and the Borough may choose to locate the center in accordance with FMERA's Land Use Rules. Amendment #6 does not prohibit the location of a community garden on the 13-acre site. The location of the emergency homeless shelter was identified as a suitable site per the County, FMERA and the Borough of Oceanport. Amendment #6 permits open space uses and/or office uses at the previous planned location of the homeless shelter. The proposed locations of bicycle paths, waterfront paths and other areas of public access are included in the Reuse Plan, and staff will pursue strategies to accommodate additional open space in Oceanport in accordance with the Board approved guidance in the Suggested Implementation of Open Space Inventory for Redevelopment of Fort Monmouth. Considerations related to the environmental conditions of the property and the maintenance of landscaping features are beyond the scope of this amendment. Finally, the Borough and the County would be bound by FMERA's Land Use Rules, as well as State regulations, related to stormwater management and control; these considerations are beyond the scope of the amendment.

After reviewing the comments of the host municipalities, FMERA staff recommends final Board approval of Amendment #6.

The Real Estate Committee has reviewed the request and recommends final Board approval of proposed Amendment #6.

Recommendation

In summary, I am requesting that the Board adopt the proposed Amendment #6 to the Reuse Plan that would permit an additional development scenario in Oceanport.



Bruce Steadman

Attachments: Proposed Reuse Plan Amendment #6
Reports from Host Municipalities

Prepared by: Candice Valente

ATTACHMENT

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

ADOPTED
July 20, 2016

Resolution Regarding
Approval of the Memorandum of Understanding between FMERA and EDA with Respect to Parcel F-1 in Tinton Falls

WHEREAS, the Tinton Falls Reuse Area contains several prominent buildings, including Building 2700, the 673,540± gsf Myer Center, and Building 2705, the 43,230± gsf former Night Vision Lab, both of which are slated to be renovated for office, data center and/or research & development uses in the Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan); and

WHEREAS, this 38± acre tract, known as Parcel F-1, is a Phase One property in FMERA's June 2012 Economic Development Conveyance Agreement with the Army and FMERA took ownership of Parcel F-1 from the Army in May 2014, with the exception of a 0.285 acre environmental carve-out area; and

WHEREAS, FMERA received no offers to the Request for Offers to Purchase (RFOTP) for Parcel F-1 issued in December 2014; and

WHEREAS, FMERA staff has encountered limited interest in the reuse of the existing buildings due to their size and age, which are a significant impediment to redevelopment, due to their poor condition and the scale of the required demolition; and

WHEREAS, the NJ Economic Development Authority has significant experience and expertise in undertaking redevelopment projects, FMERA's enabling legislation authorized FMERA to enter into designated redevelopment agreements with EDA for property within Fort Monmouth; and

WHEREAS, FMERA and EDA staff have negotiated the terms of a proposed Memorandum of Understanding (MOU) that establishes a process to identify the cost of environmental remediation and demolition; and

WHEREAS, EDA will first retain an engineering firm to prepare plans, specifications, and a scope of work for the demolition engineering and environmental remediation plans for the existing buildings, which will then be used to obtain remediation and demolition bids from contractors at prevailing wage rates via public bid process; and

WHEREAS, FMERA and the EDA will then complete negotiations for a Purchase and Sale Agreement and Redevelopment Agreement (PSARA) in which EDA may purchase Parcel F-1 and redevelop the property; and

WHEREAS, EDA will provide \$1 million to fund the plan preparation for the environmental remediation and demolition of the Myer Center, the Night Vision Lab and their out-buildings; and

WHEREAS, the Real Estate Committee has reviewed the MOU and

recommends approval by the Board;

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached memorandum, the Board authorizes entering into the memorandum of understanding between FMERA and the NJ EDA with respect to Parcel F-1 in Fort Monmouth, with final terms of the agreement subject to approval by the Executive Director and the Attorney General's Office. The Executive Director or other staff authorized to execute documents pursuant to Operating Authority is authorized to do and perform all acts necessary to effectuate this action.

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

Dated: July 20, 2016

EXHIBIT 2

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Memorandum of Understanding with the New Jersey Economic Development Authority with respect to Parcel F-1 in Tinton Falls

DATE: July 20, 2016

Request

I am requesting that the Board authorize the Fort Monmouth Economic Revitalization Authority (FMERA) to enter into a Memorandum of Understanding (MOU) with the New Jersey Economic Development Authority (EDA) for the planning, the sale and purchase, funding, remediation and demolition of the Myer Center and other existing improvements located on Parcel F-1 in Tinton Falls.

Background

The Tinton Falls Reuse Area contains several prominent buildings, including Building 2700, the 673,540± gsf Myer Center, and Building 2705, the 43,230± gsf former Night Vision Lab, both of which are slated to be renovated for office, data center and/or research & development uses in the Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan). These facilities, along with their support buildings and parking fields, cover 38± acres (see parcel map attached). Known as Parcel F-1, this 38± acre tract is a Phase One property in FMERA's June 25, 2012 Economic Development Conveyance Agreement with the Army. With the exception of a 0.285 acre environmental carve-out area (ECP 16), FMERA took ownership of Parcel F-1 from the Army by deed dated May 29, 2014.

While FMERA staff has encountered limited interest in the buildings due to their size and age, we have received inquiries about the site given the parcel's excellent location adjacent to the Garden State Parkway. The existing buildings, however, are a significant impediment to redevelopment, due to their poor condition and the scale of the required demolition. This was borne out by FMERA's December 5, 2014 Request for Offers to Purchase, which resulted in no offers on Parcel F-1 from developers or users.

Last year, EDA and FMERA staff began to explore how the parties could work together to facilitate development of this property. Established in 1974, EDA has substantial and significant experience managing large scale redevelopment projects. It utilizes a system of internal controls and procedures to ensure the integrity of redevelopment activities, and maintains a staff with a wide range of experience in redevelopment projects, real estate, finance, and job creation. Because of EDA's experience and



expertise in undertaking redevelopment projects, the Authority's enabling legislation authorized FMERA to enter into designated redevelopment agreements with EDA for property within Fort Monmouth.

FMERA and EDA staff have negotiated the terms of a proposed Memorandum of Understanding that establishes a process to identify the cost of environmental remediation and demolition. EDA will first retain an engineering firm to prepare plans, specifications, and a scope of work for the demolition engineering and environmental remediation (i.e. asbestos and lead-based paint abatement) of the existing buildings. The plans will then be used to obtain remediation and demolition bids from contractors at prevailing wage rates via public bid process (Request for Qualifications/Proposals). FMERA will be responsible for obtaining the Army's consent to convey the property to NJEDA for \$1.00 through the First Amendment to the Phase 1 Memorandum of Agreement, which is pending review by the U.S. Army and Department of Defense. EDA will provide \$1 million to fund the plan preparation for the environmental remediation and demolition of the Myer Center (Building 2700), the Night Vision Lab (Building 2705) and their out-buildings (Buildings 2706, 2715 and 2018). Should EDA not purchase the site, EDA will assign the demolition and environmental engineering plans to FMERA, and FMERA will reimburse EDA for 50% of the cost of the demolition and environmental engineering consulting services.


The MOU also proposes a possible cooperative approach to the demolition of the Myer Center and the redevelopment of Parcel F-1. Based on the cost information for environmental remediation and demolition, FMERA and the EDA will then complete negotiations for a Purchase and Sale & Designated Redevelopment Agreement (PSADRA) in which EDA may purchase Parcel F-1 and redevelop the property. A fully negotiated PSADRA will be presented for Real Estate Committee review and Board approval at subsequent meetings.

Attached for your review is a substantially final form of the MOU between FMERA and EDA. The final form of the MOU will be subject to the approval of the Executive Director and the Attorney General's Office.

The Real Estate Committee has reviewed the request and recommends final Board approval of the Memorandum of Understanding with the New Jersey Economic Development Authority with respect to Parcel F-1 in Tinton Falls.

Recommendation

In summary, I am requesting that the Board authorize the Fort Monmouth Economic Revitalization Authority to enter into a Memorandum of Understanding with the New Jersey Economic Development Authority for the planning, sale and purchase, funding, remediation and demolition of the Myer Center and other existing improvements located on Parcel F-1 in Tinton Falls.



Bruce Steadman

Attachment: Proposed Memorandum of Understanding
Prepared by: David E. Nuse



ATTACHMENT

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

ADOPTED
July 20, 2016

Resolution Regarding
Conveyance of County Route 537 Extension to the County of Monmouth

WHEREAS, the Fort Monmouth Economic Revitalization Authority (FMERA) is working with the County of Monmouth to improve access to properties in the Main Post Area and the surrounding region; and

WHEREAS, County Road 537 Extension in Eatontown and Oceanport is currently included in the Fort Monmouth property expected to be transferred to FMERA from the U.S. Army through a Phase 2 Economic Development Conveyance Agreement; and

WHEREAS, the County has agreed to accept the Property, as well as the associated rights-of-way, in order to facilitate the redevelopment of the adjacent parcels and to improve access to the surrounding communities; and

WHEREAS, contingent on the receipt of title from the Army, FMERA will convey the Property in as-is, where-is condition via a Deed of Roadway Dedication (Deed) that has been reviewed and approved by the County; and

WHEREAS, prior to the County opening County Route 537 Extension or any portion thereof for public use, the County and staff will negotiate a Memorandum of Understanding (MOU) to address logistical details, and upon the conveyance of the Property the County will be responsible to maintain the roads and fire hydrant service along it and to provide street lighting; and

WHEREAS, title will be conveyed subject to easements for public utilities that have been installed under the roadway and within the proposed rights-of-way area to provide service to current property owners and future purchasers and developers of property along the streets comprising County Route 537 Extension; and

WHEREAS, the Real Estate Committee recommends that the Board approve the conveyance of the Property to the County and delegation to staff to negotiate and enter into a MOU with the County to address operational and logistical issues for opening County Route 537 Extension for public use;

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached memorandum, the Authority approves the conveyance to the County of Monmouth of County Route 537 Extension on terms substantially consistent to those set forth in the attached memorandum and the attached Deed and with final terms acceptable to the Executive Director and the Attorney General's Office. The Executive Director or other staff authorized to execute documents pursuant to Operating Authority is authorized to do and perform all acts necessary to effectuate this action.

2. For the reasons expressed in the attached memorandum, the Authority approves delegating to staff authority to negotiate and enter into a Memorandum of Understanding with the County of Monmouth to address operational and logistical issues necessary to open County Route 537 Extension to the public in a safe and efficient manner.

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: July 20, 2016

EXHIBIT 3

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Recommendation to Approve Conveyance of County Route 537 Extension to the County of Monmouth

DATE: July 20, 2016

Request

I am requesting that the Board: (i) authorize the conveyance of County Route 537 Extension (as shown on the attached Parcel Map) to the County of Monmouth; and (ii) delegate to staff authority to negotiate and enter into a Memorandum of Understanding (MOU) with the County of Monmouth to address operational issues for opening the rights of way for public use.

Background

Governor Christie signed P.L. 2010 c. 51 on August 17, 2010 to create the Fort Monmouth Economic Revitalization Authority (FMERA or the Authority). The economies, environment, and quality of life of the host municipalities, Monmouth County, and the State will benefit from the efficient, coordinated, and comprehensive redevelopment and revitalization of Fort Monmouth.

In an effort to coordinate the redevelopment of Fort Monmouth, FMERA is working with the County of Monmouth (County) to improve access to properties in the Main Post Area and the surrounding communities. County Road 537 Extension is a critical roadway to the eventual integration of the Fort Monmouth properties in Eatontown and Oceanport to the surrounding area. The County has agreed to accept ownership of Avenue of Memories/Saltzman Avenue and Sherrill Avenue/Wilson Avenue and dedicate them in stages as public rights-of-way, in order to facilitate the redevelopment of the adjacent parcels. The Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan) envisions that Avenue of Memories/Saltzman Avenue and Sherrill Avenue/Wilson Avenue will form a one-way pair through the Fort's historic district, linking at the intersection of Avenue of Memories and Wilson Avenue to form a two-way boulevard continuing to Avenue of Memories' western terminus at Route 35. The combined Avenue of Memories/Saltzman Avenue and Sherrill Avenue/Wilson Avenue road network will constitute the County Route 537 Extension. In order to facilitate the public's use of these roadways at the earliest possible date while also minimizing potential conflicts with

redevelopment activity on the Fort, the County intends to stage the opening of the streets, prioritizing Avenue of Memories/Saltzman Avenue.

FMERA will convey the property in as-is, where-is condition via a Deed of Roadway Dedication (Deed), which is attached, that has been reviewed and approved by the County. Upon conveyance of the property to the County, which measures approximately 21.5 acres, the County will be responsible to maintain the road and fire hydrant service along it, and to provide street lighting. FMERA is expected to take title to the property from the Army by Quitclaim Deed and FMERA will convey it to the County by Quitclaim Deed that includes similar covenants and restrictions as the Army's Deed to FMERA. Conveyance of this land will be contingent upon FMERA acquiring title from the Army. Title will be conveyed subject to easements for public utilities that have been installed under the roadway and within the proposed right-of-way area to provide service to current property owners and future purchasers and developers of property along Route 537 Extension.

The County intends to open Route 537 Extension for public use; however, before the roadways can be opened in a safe and efficient manner, logistical details need to be addressed. Logistical details include matters such as fencing to secure adjacent property, traffic flow patterns and road signs. While FMERA is waiting for the Army to convey the property to FMERA, FMERA and the County will negotiate and enter into an MOU to memorialize mutually agreeable practical details for opening Route 537 Extension for public use.

Conveyance of the property to the County will be subject to the Army conveying title to FMERA and FMERA and the County entering into an MOU. The attached Deed is in substantially final form. The final document will be subject to the approval of FMERA's Executive Director and the Attorney General's Office. The final form of MOU will be subject to the approval of FMERA's Executive Director and the Attorney General's Office.

Recommendation

In summary, I am requesting that the Board: (i) authorize the conveyance of County Route 537 Extension to the County of Monmouth; and (ii) delegate to staff authority to negotiate and enter into a Memorandum of Understanding with the County of Monmouth to address operational issues for opening the roadways for public use.


Bruce Steadman

Attachments: Deed of Roadway Dedication
Parcel Map
Prepared by: Candice Valente

EXHIBIT A

County Route 537 Extension
(formerly known as Avenue of Memories, Saltzman Avenue, Hildreth Avenue,
Russel Avenue, Sherrill Avenue, and Wilson Avenue)
In The Boroughs of Eatontown and Oceanport



Legend

— 100 FT Right-of-Way, plus two (2) contiguous 12 foot wide Multi-Purpose Easements (for a total width of 124 feet)

— 60 FT Right-of-Way, plus two (2) contiguous 12 foot wide Multi-Purpose Easements (for a total width of 84 feet)



Phase I
Proposed
Conveyance Area
to County for the
Avenue of
Memories ROW.
(Rt. 537)
12.5 Ac +/-

Phase II
Proposed
Conveyance Area
to County for
Wilson Avenue &
Sernill Avenue
ROW.
9 Ac +/-

ATTACHMENT

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

**ADOPTED
July 20, 2016**

Resolution Regarding

(i) Purchase and Sale and Redevelopment Agreement for of the Motor Pool Area in Eatontown to County of Monmouth; (ii) entering into a new lease with the US Army for the property; and (iii) entering into a new sublease with the County for the Property

WHEREAS, the Motor Pool Area facilities include Buildings 750, 753, 754, 760 and 761 and their associated land areas on approximately 10.3 acres in Eatontown; and

WHEREAS, in September 2012 the FMERA Board approved a Sublease Agreement between FMERA and the County of Monmouth for the Motor Pool Area for use as a regional facility for the Highway Division of its Department of Public Works; and

WHEREAS, the sublease anticipated conveyance of the Property in exchange for services in-kind once the Property was transferred to FMERA; and

WHEREAS, subsequently the County of Monmouth has occupied the property and completed the following projects: installation of a radio tower; construction of a salt barn; installation of brine tanks and dispensing system, construction of a fuel dispensing station; building of berms and planting trees; removal of sub-grade furnish ash under the parking lot and repaving the parking lot; and

WHEREAS, in May, 2016 the FMERA Board approved Evaluation Scoring for Local Beneficial Use (LBU) Requests, and the County has requested that this conveyance be administered as a LBU transaction; and

WHEREAS, the scoring of the County's proposed use of the Property is 863 which entitles the County to the maximum discount of 40% resulting in a purchase price of \$626,400, discounted from the appraised value of \$1,040,000; and

WHEREAS, in anticipation of FMERA acquiring title to the Property the County of Monmouth and FMERA agreed to the terms of a Purchase and Sale Agreement and Redevelopment Agreement, which include the following: a purchase price of \$626,400; after closing the County shall, at the County's cost and expense, install infrastructure improvements and/or provide in-kind services requested by FMERA and for the benefit of FMERA's efforts to cause redevelopment and revitalization at Fort Monmouth, which include, but are not limited to: (i) repairing the Murphy Drive culvert, (ii) road improvements and repaving following installation of underground water and sewer infrastructure, (iii) landscaping and maintenance of recreational and passive open space, (iv) storm sewer maintenance and repair, and (v) excavation; and

WHEREAS, there are currently two Environmental Carve-out Parcels on the property undergoing remediation, and as a result there will be an Initial Closing of the Property

not within the Carve-out Parcels, a Second Closing for Carve-out Parcel 51 within 30 days of Army completing environmental investigations and remedial actions and conveying the Carve-out Parcel 51 to FMERA, and a Third Closing for the Environmental Carve-out Parcel 40B within 30 days of Army conveying the Environmental Carve-out Parcel 40B to FMERA; and

WHEREAS, FMERA will lease the Property from the Army and Sublease the Property to the County until such time as it can be transferred to FMERA and conveyed to the County; and

WHEREAS, the Real Estate Committee recommends that the Board approve the conveyance of the Motor Pool Area in Eatontown to the County via the attached Purchase and Sale Agreement and Redevelopment Agreement;

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached memorandum, the Authority approves the conveyance to the County of Monmouth of the Motor Pool Area in Eatontown and (i) the attached Purchase and Sale Agreement and Redevelopment Agreement, (ii) entering into a new lease with the U.S. Army for the Property, and (iii) entering into a new sublease with the County for the Property. The Executive Director or other staff authorized to execute documents pursuant to Operating Authority is authorized to do and perform all acts necessary to effectuate this action.

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

Dated: July 20, 2016

EXHIBIT 4

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Purchase and Sale & Redevelopment Agreement with the County of Monmouth for the Motor Pool Area including 10.33 acres of land and Buildings 750, 753, 754, 760 and 761.

DATE: July 20, 2016

Request

I am requesting that the Board authorize: (i) the execution of a Purchase and Sale & Redevelopment Agreement (“PSARA”) with the County of Monmouth for the Motor Pool Area ("the Property") including 10.33 acres of land and Buildings 750, 753, 754, 760 and 761; (ii) entering into a new lease with the US Army for the property; and (iii) entering into a new sublease with the County for the Property.

Background

In September 2012 the FMERA Board approved a Sublease Agreement between FMERA and the County of Monmouth for the Property for use as a regional facility for the Highway Division of its Department of Public Works. The sublease anticipated conveyance of the Property in exchange for services in-kind once the Property was transferred to FMERA. Subsequently the County of Monmouth has occupied the property and has completed the following projects: installation of a radio tower; construction of a salt barn; installation of brine tanks and dispensing system, construction of a fuel dispensing station; building of berms and planting trees; removal of sub-grade furnish ash under the parking lot and repaving the parking lot. There are currently 11 employees assigned to this location. The County has been providing shared services from this site to the local municipalities since 2012.

In May, 2016 the FMERA Board approved Evaluation Scoring for Local Beneficial Use Requests. The County has requested that this conveyance be administered is a Local Beneficial Use (“LBU”) transaction. Accordingly the County’s proposed use of the Property was reviewed and scored by FMERA staff utilizing the Board approved LBU criteria. This scoring is used to determine the discounted purchase price of the Property. The appraised value of the Property is \$1,040,000. The scoring of the County's proposed use of the Property is 863 which entitles the County to the maximum



Recommendation

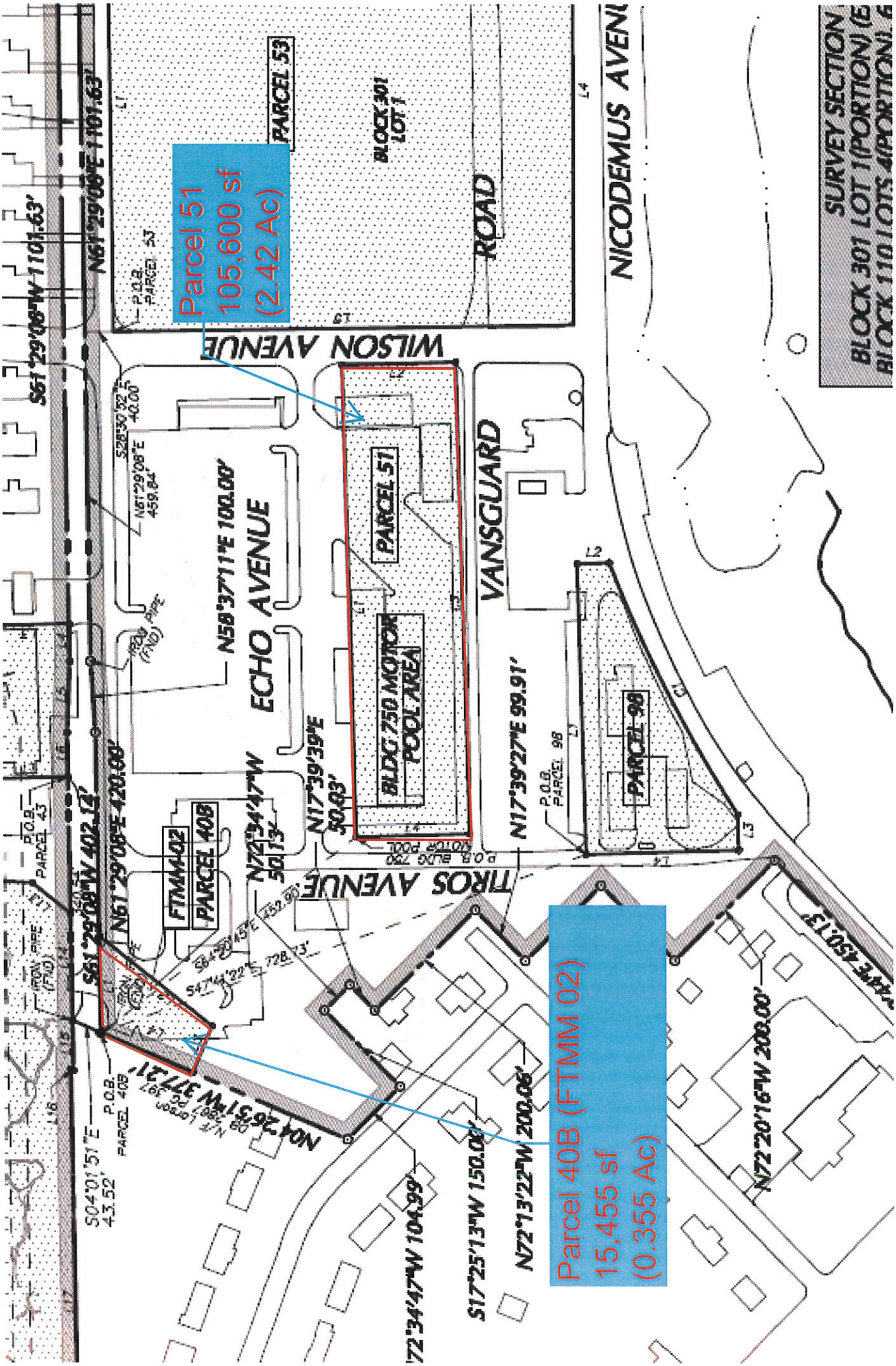
In summary, I am requesting that the Board authorize: (i) the execution of a Purchase and Sale & Redevelopment Agreement ("PSARA") with the County of Monmouth for the Motor Pool Area ("the Property") including 10.33 acres of land and Buildings 750, 753, 754, 760 and 761; (ii) entering into a new lease with the US Army for the property; and (iii) entering into a new sublease with the County for the Property.



Bruce Steadman

Attachment: Parcel Map
LBU Score Sheet
PSARA
Prepared by: Rick Harrison





Parcel 51
105,600 sf
(2.42 Ac)

Parcel 40B (FTMM 02)
15,455 sf
(0.355 Ac)

SURVEY SECTION
BLOCK 301 LOT 1 (PORTION) (E)
BLOCK 110 LOTS 4 (PORTION) (E)

ATTACHMENT

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

ADOPTED
July 20, 2016

Resolution Regarding

Approval of (i) Purchase and Sale Agreement and Redevelopment Agreement with County of Monmouth for 3-Acre Parcel in Oceanport; (ii) a Legally Binding Agreement (LBA) with the County of Monmouth for Homeless Provider Services; and (iii) an Administrative Letter supplementing certain general provisions of the LBA

WHEREAS, in September 2008, the Fort Monmouth Economic Revitalization Planning Authority (FMERPA), the predecessor to FMERA, submitted a Homeless Assistance Submission along with the Reuse Plan to the U.S. Department of Housing and Urban Development (HUD) which included a Legally Binding Agreement (LBA) providing for an emergency shelter for the County of Monmouth (County), which was subsequently approved by HUD in 2010; and

WHEREAS, in 2012 the existing County shelter on Fort Monmouth in the Oceanport Reuse Area was evacuated due to flooding by Superstorm Sandy, and the County temporarily relocated the shelter to an offsite County-owned facility; and

WHEREAS, the County has since sold this facility and has pursued the option to relocate the facility back on Fort Monmouth per the LBA and FMERA's obligation to provide an emergency shelter for the County; and

WHEREAS, FMERA initially presented an option for the reuse of Building 901 in the Oceanport Reuse Area which was operating with a license from the Army to the New Jersey National Guard until September 30, 2015, and the County ultimately rejected this site based on the cost of renovations; and

WHEREAS, FMERA identified another location across Murphy Drive from Building 901, totaling approximately 3 acres and including two buildings, Buildings 906 and 908, and the accompanying paved and parking areas, which are slated for demolition in the Reuse Plan, and the parcel is envisioned as open space; and

WHEREAS, in order to facilitate the County's planning and development of the 3-acre site, the Army granted use and occupancy of the property to the County using the Army's standard form of license, which allows the County to install temporary facilities on the site for immediate use; and

WHEREAS, FMERA and the County have negotiated final terms of an Administrative Letter (to supplement the LBA) and PSARA for the transfer and long-term use of the property to include the demolition of the two buildings and construction of a new homeless shelter facility; and

WHEREAS, subject to FMERA's acquisition of the property from the Army, the PSARA calls for FMERA to convey the 3-acre parcel on Murphy Drive to the County in exchange for \$1.00 plus the County's satisfaction of the covenants and obligations set forth in the LBA, as supplemented by the Administrative Letter, with additional terms as included in the attached PSARA; and

WHEREAS, FMERA and the County propose to enter into the attached LBA, which was a component of the HAS; and

WHEREAS, the attached Administrative Letter supplements the LBA by providing detail on FMERA's planned payments from its Homeless Trust in support of the development of the County homeless shelter; and

WHEREAS, the attached LBA, PSARA and Administrative Letter are in substantially final form, with final documents subject to the approval of FMERA's Executive Director and the Attorney General's Office; and

WHEREAS, the Real Estate Committee has reviewed the request and recommends that the Board authorize the PSARA between FMERA and the County, the LBA and Administrative Letter with respect to the County Homeless Shelter in Oceanport;

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached memorandum, the Board authorizes: (i) the execution of a Purchase and Sale Agreement and Redevelopment Agreement between FMERA and the County of Monmouth; (ii) a Legally Binding Agreement (LBA) with the County of Monmouth for Homeless Provider Services; and (iii) an Administrative Letter supplementing certain general provisions of the LBA. All documents are in substantially final form, with final terms subject to approval by the Executive Director and the Attorney General's Office. The Executive Director or other staff authorized to execute documents pursuant to Operating Authority is authorized to do and perform all acts necessary to effectuate this action.

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

Dated: July 20, 2016

EXHIBIT 5

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

DATE: July 20, 2016

RE: Purchase and Sale & Redevelopment Agreement with the County of Monmouth, Legally Binding Agreement and Administrative Letter with respect to the County of Monmouth Homeless Shelter on a 3-Acre Parcel in Oceanport

Summary

I am requesting that the Board approve: (i) a Purchase and Sale Agreement (PSARA) with the County of Monmouth (County) for a 3-acre parcel on Murphy Drive in the Oceanport section of Fort Monmouth; (ii) a Legally Binding Agreement (LBA) with the County of Monmouth for Homeless Provider Services; and (iii) an Administrative Letter supplementing certain general provisions of the LBA, in support of the County's efforts to establish a permanent County emergency homeless shelter on Fort Monmouth.

Background

In September 2008 the Fort Monmouth Economic Revitalization Planning Authority (FMERPA) submitted a Homeless Assistance Submission (HAS), along with the Fort Monmouth Reuse and Redevelopment Plan (the Reuse Plan), to the U.S. Department of Housing and Urban Development (HUD) which included a Legally Binding Agreement (LBA) (Exhibit b14) providing for an emergency shelter for the County of Monmouth. This shelter would have replaced the shelter on Fort Monmouth that had been utilized by the County under an agreement with the U.S. Army. The HAS was subsequently approved by HUD in 2010. In 2012 the existing shelter in the Oceanport section of the Fort was evacuated due to flooding caused by Superstorm Sandy. The County of Monmouth temporarily relocated the shelter to an off-site County owned facility. Plans were underway to renegotiate the LBA to subsidize improvements to that facility to provide a permanent shelter that would have fulfilled FMERPA's LBA obligation. Subsequently, however, the County sold its temporary facility and now needs to relocate the shelter again. Because FMERPA still has an obligation to provide a shelter for the County, the County requested help from FMERPA in finding a replacement facility on the Fort that could be occupied within a short time frame. As the Reuse Plan located the County's shelter in the Oceanport section of the Fort, FMERPA staff looked for potential buildings in the Oceanport area that could be activated expeditiously. The Reuse Plan identified a site on Sherrill Avenue, adjacent to Squier Hall, as the future location of a new County shelter. FMERPA and the County determined that the Sherrill Avenue site was not suitable for that use, as the property's status as an environmental carve-out would delay its availability. FMERPA initially presented an alternative to the County entailing the reuse of Building 901, which had been occupied by the New Jersey National Guard up until September 30, 2015 under a license from the Army. The County ultimately rejected this site, noting the extensive cost of renovations to reuse the building as a homeless shelter.

Subsequently, FMERA and the Borough of Oceanport agreed on Building 901 and the adjacent property on the south side of Murphy Drive as the future site of the Borough's municipal complex.

In order to meet its LBA obligation, FMERA has identified another location on the Fort that is suitable for the County's long-term needs. Located across Murphy Drive from Building 901, the proposed parcel depicted on the attached map totals 3 acres and includes two buildings, Buildings 906 and 908, and the accompanying paved and parking areas. These buildings are slated for demolition in the Reuse Plan, and the parcel is envisioned as open space. In Amendment #2 to the Reuse Plan adopted in December 2012, the Board approved the relocation of residential housing to the southern portion of this property, along an extended Center Street. FMERA staff is presenting to the Board this month the comments by the Boroughs to proposed Reuse Plan Amendment #6, which would permit the County's long-term use of the 3-acre site for an emergency homeless shelter, as well as the long-term use of the site across Murphy Drive for Oceanport's municipal complex. If approved by the Board, this amendment will supersede Reuse Plan Amendment #2.

In order to facilitate the County's planning and development of the 3-acre site, the Army granted use and occupancy of the property to the County using the Army's standard form of license. The license allows the County to install temporary facilities on the site for immediate shelter needs.

FMERA and the County have negotiated final terms of an Administrative Letter (to supplement the LBA) and PSARA for the transfer and long-term use of the property to include the demolition of the two buildings and construction of a new homeless shelter facility. The terms of these documents are intended to satisfy FMERA's obligations under the HAS and the LBA.

Purchase and Sale & Redevelopment Agreement

Subject to FMERA's acquisition of the property from the Army, the PSARA calls for FMERA to convey the 3-acre parcel on Murphy Drive to the County in exchange for \$1.00 plus the County's satisfaction of the covenants and obligations set forth in the LBA, as supplemented by the Administrative Letter. Subject to its receipt of reimbursement payments from FMERA, the County will demolish Buildings 906 and 908 and construct a new 4,080 sf homeless shelter facility. The facility design, likely to entail the use of modular units, will be agreed upon by the parties prior to PSARA execution, with the inclusion of brick coloring or façade prior to project completion. Upon the Army's issuance of a Finding of Suitability to Transfer and FMERA's receipt of title from the Army, FMERA will convey a small environmental carve-out known as Parcel 68 (UST 906A) constituting a portion of the 3-acre site to the County at a subsequent closing for no additional consideration.

Legally Binding Agreement for Homeless Provider Services

FMERA and the County propose to enter into the attached LBA, which was a component of the HAS. The LBA outlines the eligible services to be provided by the County at its cost and expense, specifically operation of an adult homeless shelter for both single men and women with a capacity, at a minimum, to accommodate thirteen (13) men and ten (10) women daily. The shelter will operate year-round and provide both shelter and social services to the homeless individuals. The shelter will provide temporary housing, with the average stay for any one person expected to be no longer than forty-five (45) days. The social services provided will include comprehensive linkages to housing, transportation, and financial assistance. The LBA also stipulates the facility specifications and requirements to be met by the County.

Administrative Letter

The attached Administrative Letter supplements the LBA by providing detail on FMERA's planned payments from its Homeless Trust in support of the development of the County homeless shelter. In addition to the conveyance of the 3-acre property to the County for \$1.00, FMERA agrees to provide payment(s) to the County of up to \$1.5 million to reimburse the County for allowable expenditures incurred by the County in the demolition of existing buildings and construction of the new facility. Payments to the County will be subject to the availability of funds in the FMERA Homeless Trust that allow for reimbursement of the County's allowable expenditures as well as payments for the other three LBA obligations that FMERA has assumed. The determination of availability of funds will be at FMERA's sole discretion, but in no event will FMERA be

obligated to withdraw more than 10% of the available funds in the FMERA Homeless Trust to satisfy the County's requests for reimbursement. Within thirty days following the conveyance of title to the County, FMERA will make available for an initial payment to the County an amount not to exceed \$170,000 from funds previously accumulated in the FMERA Homeless Trust, subject to the County's submission of one or more payment requests. Subsequent to FMERA's payment to the County of the initial amount, FMERA will provide the County notice within sixty days of each closing by FMERA with a third party purchaser on a parcel or parcels of land on the Fort. Within thirty days of receipt of each such notice, the County may request payment from the FMERA Homeless Trust.

The attached LBA, PSARA and Administrative Letter are in substantially final form. The final documents will be subject to the approval of FMERA's Executive Director and the Attorney General's Office.

The Real Estate Committee has reviewed the request and recommends final Board approval of the Purchase and Sale & Redevelopment Agreement with the County of Monmouth, Legally Binding Agreement and Administrative Letter with respect to the County of Monmouth Homeless Shelter on a 3-Acre Parcel in Oceanport.

Recommendation

In summary, I am requesting that the Board approve: (i) a Purchase and Sale Agreement (PSARA) with the County of Monmouth (County) for a 3-acre parcel on Murphy Drive in the Oceanport section of Fort Monmouth; (ii) a Legally Binding Agreement (LBA) with the County of Monmouth for Homeless Provider Services; and (iii) an Administrative Letter supplementing certain general provisions of the LBA, in support of the County's efforts to establish a permanent County emergency homeless shelter on Fort Monmouth, and on final terms acceptable to the Executive Director and the Attorney General's Office.



Bruce Steadman

Attachments: Purchase and Sale & Redevelopment Agreement
Legally Binding Agreement
Administrative Letter
Parcel Map

Prepared by: Bruce Steadman



3 Ac +/-
Mon County

00977

00983

901

00901

00903

00917

00916

00915

00914

00913

00912

00911

00910

00909

00908

00906

00976

00976

ATTACHMENT

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



MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Recommendation to Adopt a Reimbursement Resolution with respect to the Potential Financing of FMERA's Purchase of the Phase 2 Properties

DATE: July 20, 2016

Request

I am requesting that the Board adopt a Reimbursement Resolution related to the financing of FMERA's purchase of the Phase 2 Economic Development Conveyance properties from the U.S. Army.

Background

The FMERA Board approved a Phase 2 Economic Development Conveyance Memorandum of Agreement (MOA) with the Army on April 20, 2016. This action enabled FMERA to begin preparations for a summer 2016 closing on the balance of the former Fort property, located on the Main Post in Eatontown and Oceanport.


As previously discussed, FMERA is seeking financing for the purchase of the Phase 2 properties through the Monmouth County Improvement Authority (MCIA). The requested financing structure entails MCIA's issuance of taxable or tax-exempt notes to provide the consideration to be paid to the Army, along with the cost of issuance. The original principal amount of the notes is estimated to be an amount not to exceed \$35 million, with the notes to be issued simultaneously or prior to the closing of FMERA's purchase from the Army. Interest on the notes will be payable by FMERA on a current basis, with the notes issued as one-year obligations. Approximately \$10 million in principal will be paid down upon FMERA's sale of the first three parcels to developers; those three parcels are under contract and the sales are anticipated to occur within six months of FMERA's closing with the Army. The remaining principal balance on the notes will be repaid by FMERA from a portion of the sale proceeds of Phase 2 parcels, and will be secured by a mortgage on the Phase 2 parcels given by FMERA to the County of Monmouth who will be requested to issue a payment guaranty for the notes. On each one year anniversary of the issuance of the initial notes, MCIA will issue subsequent notes to refund the notes that mature and cover issuance costs. FMERA projects that it will pay off the financing in five years or less.

In preparing for the Phase 2 transaction with the Army and the associated financing, FMERA will incur costs in advance of the closing. Staff recommends that the Board approve a Reimbursement Resolution allowing the MCIA to use bond proceeds to reimburse FMERA for costs incurred by FMERA and associated with issuance of the financing. A draft Reimbursement Resolution prepared by FMERA's special counsel, Robert Tuteur, Esq. of Eckert Seamans, is attached.

The Real Estate Committee and the Audit Committee have reviewed the request and recommend the Board to adopt the Reimbursement Resolution in connection with the potential financing of FMERA's purchase of the Phase 2 Properties.

Recommendation

In summary, I am requesting that the Board adopt a Reimbursement Resolution related to the financing of FMERA's purchase of the Fort Monmouth Phase 2 Economic Development Conveyance parcels from the U.S. Army.



Bruce Steadman

Attachments: Reimbursement Resolution
Prepared by: David E. Nuse

ATTACHMENT

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

