

TO: Members of the Board

FROM: Bruce Steadman
Executive Director and Secretary

DATE: February 17, 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. **Welcome – James V. Gorman, Chairman**
6. **Secretary’s Report**
7. **Treasurer’s Report**
8. **Public Comment Regarding Board Action Items**
9. **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
10. **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

11. **Other Board Actions**

- Consideration of Approval of Transmittal to Host Municipalities of Proposed Plan Amendment #5 Permitting Alternative Development Scenario in Tinton Falls
- Consideration of Approval of Purchase and Sale Agreement and Redevelopment Agreement for Parcel F-3
- Consideration of Approval of Revised Purchase and Sale Agreement for Teen Center and Swimming Pool
- Consideration of Approval of Conveyance of Portion of Pine Brook Road to Tinton Falls
- Consideration of Approval of FMERA Staff to Enter into Exclusive Negotiations for a Purchase Agreement Pursuant to the Request for Offers to Purchase (RFOTP) for the Parcel B Parcel in Eatontown

12. **Other Items**

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

- Responses to questions submitted online or in writing

14. **Executive Session: OPMA EXEMPTION N.J.S.A. 10:4-12b(5) and (7):**

- Update on Real Estate and Contract Negotiations with the Army

15. **Adjournment**

MINUTES OF THE MEETING

I. **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
- Dr. Robert Lucky, Public Member – V
- Lillian Burry, Monmouth County Freeholder – V
- Gerald Turning, Mayor of Tinton Falls – V
- John Patti, Oceanport Councilman – V
- Dennis Connelly, Mayor of Eatontown – V
- Donna Sullivan, Director of Real Estate, New Jersey Economic Development Authority (EDA) – V
- Kenneth J. Kloo, Director, Site Remediation Program, NJ Department of Environmental Protection (DEP)
- John Raue, Senior Policy Advisor to the Commissioner, NJ Department of Labor & Workforce Development (DOL)
- Helene Rubin, Section Chief, Division of Statewide Planning, NJ Department of Transportation (DOT)
- Gina Fischetti, Chief Counsel, Local Planning Services, NJ Department of Community Affairs (DCA)

V - Denotes Voting Member

Members not present:

Also present:

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

II.

The meeting was called to order by Chairman James V. Gorman at 7:00p.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 notice of the meeting was sent to the Asbury Park Press and the Star Ledger at least 48 hours prior to the meeting, that a meeting notice has been duly posted on the Secretary of State's bulletin board at the State House, and the FMERA and the NJEDA websites.

The first item of business was the approval of the December 16th meeting minutes. A motion was made to approve the minutes by Dennis Connelly and seconded by Michael Collins.

Lillian Burry abstained from voting stating she was not at the meeting.

Motion to Approve: DENNIS CONNELLY Second: MICHAEL COLLINS
AYes: 7

III. WELCOME

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

Mr. Gorman stated that the meeting agenda called for the public to receive reports from the Staff Advisory Committees and the Statutory Committee meetings. Mr. Gorman stated that the reports are provided to allow for public input and transparency in the conduct of the Authority's effort to implement the Reuse Plan. Mr. Gorman stated that there is one board action; Consideration of Approval of Plan Amendment #4 permitting alternative development scenario in Oceanport.

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

IV. SECRETARY'S REPORT

Mr. Steadman stated that the proposals for the Request for Offers to Purchase (RFOTP) for Suneagles Golf Course are due on February 5th and the Request for Proposals (RFP) for sublease of the McAfee parcel is also due February 5th.

V. TREASURER'S REPORT

Jennifer Lepore, Senior Finance Officer stated that the Staff is beginning to prepare the Authority's 2015 Annual Report for presentation to the Audit Committee with the audited financial statements, which serve as FMERA's Comprehensive Annual Report to meet the requirements of Executive Order No. 37 (2006). It is expected that a draft report and statements will be available for review in mid-March, and finals presented to the Board in April. The Authority's independent auditors, Clifton Larson Allen have begun their audit of the Authority's 2015 operations. The Auditors will report on the Authority's financial statements and accompanying notes, as well as report on the Authority's internal controls and compliance with Government Auditing Standards. Field work will begin the week of February 23.

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

Tom Mahedy of Wall Township read a sentence from the Plan Amendment #4 memo stating "staff believes the recommendation to identify and describe exempt contamination is beyond the scope of the amendment" asserting that FMERA does not want people to know where any toxic sites are located. Mr. Mahedy asserted that the NJSP and the Oceanport Police are not made aware of the contaminated sites at the Fort. Mr. Mahedy asserted that there is less open space in the amendment and no action to add additional open space. Mr. Mahedy stated that the geothermal site on the parade grounds should be saved. Mr. Mahedy asserted that high tech usually means war profiteering companies. Mr. Mahedy asked why the Army Restoration Advisory Board (RAB) no longer meets and asserted that the RAB computer system was hacked and all of the files were erased.

[Candice: is there more information that should be included here to define what "exempt contamination" means?] Mr. Steadman answered Mr. Mahedy by stating that the term "exempt contamination" was a mischaracterization of the environmental areas of concern that were previously identified in Army reports and the associated NJDEP responses, and that they have been dealt with in great detail via other means. Plan Amendment #4 did not change or impact any of these environmental sites and therefore they did not need to be addressed in the amendment. Mr. Steadman stated that all of Mr. Mahedy other assertions have been addressed

on many occasions in the past. Mr. Steadman stated that the RAB is an Army committee and maintenance of its schedule of meetings does not involve FMERA.

VII. EXECUTIVE DIRECTOR'S REPORT

Bruce Steadman stated that FMERA and the Army are close to finalizing the Phase 2 Memorandum of Agreement (MOA). Mr. Steadman stated that there are two outstanding issues that need to be resolved which will involve the NJDEP. FMERA hopes to bring the final draft to the Board during Executive Session at the February meeting.

Jennifer Lepore, Senior Finance Officer gave the following update on RFPs and Contracts:

Utilities

FMERA is currently working with the Oceanport Engineer on a proposal to submit a water main application to NJ American Water to accommodate the historic housing development, the fitness center, FMERA offices and additional pending building sales in the area surrounding the historic district. A draft agreement with JCP&L to own, operate and maintain the Charles Wood Area power system is undergoing final review and FMERA hope to bring it to the Board in February. This agreement will serve as a template for a Phase 2 agreement which is currently under discussion.

Suneagles

At Suneagles, the operator has continued winter maintenance on all of the equipment. The course will remain open throughout the winter for play, weather permitting.

Property Maintenance

Our Property Maintenance team is operating in winter mode, ensuring the facilities are prepared for the cold weather.

Sublease of McAfee Center Complex – Buildings 600, 601 and 603

Last month, FMERA issued two RFPs for a Sublease of Building 601 and 603 in the McAfee Center Complex of the Oceanport Reuse area. The RFPs called for entities interested in the buildings specifically for research and development activities related to a scientific, engineering and/or information technology related use. FMERA received no responses to the RFP, which were due on January 8th. FMERA subsequently issued an RFP for a sublease of Building 600, the McAfee Center, also located in the Oceanport reuse area. The RFP allows for the option of leasing one floor, two floors or the entire building, and offers must include a plan to use the property for scientific, engineering and/or information technology-related uses. Proposals are due February 5th.

Candice Valente, Senior Project Officer gave the following update on RFOTPs:

FMERA's marketing and development staff concluded a busy and productive 2015, issuing 10 RFOTPs, bringing 10 projects to the Board for approval, and signing 7 Purchase and Sale & Redevelopment Agreements. FMERA is looking forward to continuing a high level of activity in the new year. The following is a town-by-town update:

In Oceanport, FMERA is currently in negotiations for the sale and redevelopment of the following 3 properties:

- Nurses Quarters, a 24-unit residential complex on Main Street adjacent to the former Patterson Army Hospital;
- the 16,000 sf recreation building on Brewer Avenue known as the Dance Hall, which is projected for commercial reuse;
- Marina on Oceanport Creek.

FMERA executed contracts on another 3 parcels:

- Officer Housing Parcel, consisting of 117 historic housing units, where RPM Development is the selected purchaser;
- Fitness Center, where FM Partners is proposing to renovate and expand that facility;
- Russel Hall, the 40,000 sf former Garrison Headquarters building, to a NYC-based tech company, TetherView.

In Eatontown, FMERA has proposals in hand on 2 properties:

- Howard Commons site on Pinebrook Road, zoned for 275 homes and up to 15,000 sf of retail space;
- Expanded Parcel B site, the mixed-use town center property fronting Route 35, calling for approximately 250,000 sf of retail space and 302 housing units on up to 89 acres.

FMERA and Army representatives have evaluated the Howard Commons and Parcel B proposals, and have initiated negotiations with the highest ranked parties.

FMERA issued an RFOTP for Suneagles Golf Course on October 8th. A 10-acre section of the golf course is zoned for the construction of a new hotel & conference center. Tours are currently being given to interested parties, and proposals are due by February 5, 2016.

In Tinton Falls, FMERA is in discussions on 2 properties: Parcel F-2, the proposed Veterans Housing site; and Parcel F-3, the 3.5 acre gas station and convenience store site on Hope Road. FMERA expects to present a proposed contract for the sale of Parcel F-3 to the Board at the February 2016 meeting.

In addition, FMERA has executed Purchase and Sale & Redevelopment Agreements with:

- Lennar Corporation for Parcels C & C1, approved for 288 units of housing and 58,000 sf of retail development;
- Pinebrook Commerce Center, LLC for the Fabrication Shops, 45,000 sf of light industrial and flex space buildings on Pinebrook Road;
- RADAR Properties for Building 2525, the 86,000 sf office building on Heliport Drive to be occupied by Aaski Technology;
- Trinity Hall for the former Child Development Center on Hope Road to serve as that school's new home.

FMERA also received Board approval to execute a contract with Kiely Realty Group for the sale of the Pistol Range and the adjacent Satellite Drive Parcel.

FMERA and Cushman & Wakefield, the Authority's Master Broker, are preparing to issue a new round of RFOTPs in 2016. These include: Squier Hall, Barker Circle, Allison Hall, the Main Post Chapel and the Lodging Area in Oceanport, the 6 barracks buildings on Semaphore Avenue in Eatontown, which are targeted for arts-related reuse, possibly entailing artist live/work space, and the expanded fire house site on Corregidor Road in Tinton Falls. These RFOTPs will be released over the next few months.

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.

Cushman will also begin a marketing campaign targeting dozens of regional centers in New Jersey approved for participation in the EB-5 Immigrant Investor Program in the coming weeks. This federal program is designed to attract international companies looking for high-value investment opportunities in the United States. FMERA has already received strong interest from international groups exploring opportunities at Fort Monmouth through the EB-5 program.

Please refer to our website, www.fortmonmouthnj.com, to obtain copies of our RFOTPs and to sign up for our monthly digital newsletters.

Other Items

Mr. Steadman listed the following action items:

- FMERA will be conducting bus tours for each of the three host municipalities. The Tinton Falls and Eatontown bus tours have not yet been scheduled. The Oceanport bus tour was held on October 24th,
- Continued work with the N.J. Department of Environmental Protection to identify and resolve important environmental issues of concerns as they related to water and sewer.
- Continued meetings and tours with interested prospective employers and investors.
- Continued collaboration with the NJEDA Trenton Office on marketing and business development opportunities and their continued help on several projects.
- Continued meetings with Tinton Falls, Oceanport, Eatontown, and the County during the month regarding streets, utilities, redevelopment projects, and other important issues.

John Patti, designee for Oceanport Mayor Coffey, asked for information regarding the EB-5 program as to whether the development project must be located within an international trade zone. Mr. Steadman stated that the program was created to allow foreign investors to obtain a visa to the U.S in return for stimulating the economy through job creation and capital investment. Mr. Steadman stated that there has been interest by foreign companies regarding development at the Fort, and that Cushman and Wakefield has been working with their foreign affiliates to reach out to entrepreneurs who might qualify for the EB-5 program.

VIII. COMMITTEE REPORTS

a) AUDIT COMMITTEE (ROBERT LUCKY - CHAIRMAN)

Robert Lucky stated that the Committee did not meet this month. Mr. Steadman noted that the Audit Committee meets 4 times per year, that the 4 meetings in 2015 have been successfully completed, that the first 2016 meeting would be held in April; and that the staff is preparing the 2015 Annual Report and financial statements, and preparing for the 2015 audit in conjunction with the Authority's external auditors.

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

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

- Discussion regarding the proposed plan amendment #4 for Russel Hall and Dance Hall in Oceanport. The Committee reached a consensus and agreed to recommend final approval of plan amendment #4 to the Board for approval.
- Discussion regarding the Purchase and Sale Agreement and Redevelopment Agreement (PSARA) with Monmouth County Parks System (MCPS for Parcel F-3. The Committee reached a consensus and approved the agreement.
- Discussion regarding the current status of negotiations with Two Rivers Water Reclamation Authority (TRWRA) related to sewer and infrastructure upgrades in the Oceanport Reuse Area. The Committee was pleased with the progress made by the staff on the new sanitary sewer system.
- Discussion regarding the status of the final negotiations with the Army related to the Memorandum of Agreement (MOA) for the Phase 2 properties
- Other items of discussion:
 - Parcel B
 - Howard Commons
 - Buildings 601 & 603
 - Chapel
 - Building 2525
 - Child Development Center
 - Russel Hall
 - Fitness Center

- Squier Hall
- Current and upcoming RFOTPs

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

Kenneth J. Kloo stated that the Committee met on January 11th and discussed the following:

- Summary of Building 2525 parcel including the potential location of a former gas station on the site, historic fill and the adjacent stream.
- Discussion regarding the format and issuance of No Further Action letters by the DEP, as well as documentation provided by the DEP when no further remediation is required because contamination detected is not associated with a discharge.
- Description of redevelopment issues at the former Commissary, including the delineation of contamination at the site by the Army, and ongoing investigations.
- Discussion regarding the remaining issues involved in negotiations with the Army related to the transfer of the Phase 2 property. These included detections of polynuclear aromatic hydrocarbons, or PAHs, and remediation of same at specific parcels and throughout the Fort, landfill ownership and responsibility for long-term maintenance and monitoring, and the ability to secure No Further Action determinations from the DEP prior to transfer of the Phase 2 properties.

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

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

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

Gina Fischetti stated that the Committee did not meet this month and will be meeting on February 4th.

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

Lillian Burry stated that the Committee did not meet this month. Ms. Burry stated that the work on the Teen center and recreational area has been completed and believes that the facilities would be an excellent marketing tool to those seeking housing on the Fort property.

IX. BOARD ACTIONS

A) The first item before the Board was the consideration of approval of Plan Amendment #4 permitting alternative development scenario in Oceanport.

A motion was made to approve by Lillian Burry and was seconded by John Patti.

The resolution and accompanying Board memorandum are attached hereto and marked Exhibit 1.

Candice Valente read a summary of the Board memo.

Bruce Steadman conducted a roll call vote.

NAME	YES	NO	ABSTAIN
James V. Gorman	X		
Michael Collins	X		
Robert Lucky	X		
Lillian Burry	X		
Gerald Turning	X		

John Patti	X		
Dennis Connelly	X		
Donna Sullivan	X		

Motion to Approve: LILLIAN BURRY Second: JOHN PATTI
 AYes: 7

X. OTHER ITEMS

There were no other items before the Board.

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

Roseanne Letson of Oceanport asked that when the MOA is signed between FMERA and the Army, will there be any additional property at the Fort that the Army will transfer to the three boroughs. Ms. Letson asked if the Board meets at any other times during the month, due to the lack of interaction and questions from the Board members during the meeting. Ms. Letson stated that she would rather see the EB-5 program retain people in New Jersey as opposed to bringing people in from other countries.

Tom Mahedy of Wall Township asserted that the hacking of the RAB computers is a felony and asked what is being done about the hacking. Mr. Mahedy asserted that the proposed Veterans parcel is contaminated and the Veterans should be housed in the Nurses Quarters or the Officers Housing. Mr. Mahedy asserted that a big hole is being dug in front of the Veterans parcel and being filled with contamination. Mr. Mahedy asserted that the Child Development Center (Trinity Hall) and the occupants will be exposed to contamination during the demolition of the Myer Center. Mr. Mahedy asserted that the gas station next to the Teen Center, the Child Development Center and Building 2525 is contaminated. Mr. Mahedy asserted that the respective buildings within the 3 host municipalities should be given to the citizens of the towns. Mr. Mahedy asked for the contribution amounts given to the politicians from the companies that are given property on the Fort. Mr. Mahedy asserted that FMERA is closing the geo-thermal fields, and that they should continue to be used. Mr. Mahedy asserted that Army Site Manager John Occhipinti should be held accountable for the hacking of the RAB computers and should be present at the Board meetings to answer questions from the public.

Bruce Steadman answered Ms. Letson by stating that the MOA is the last document that will be signed which will bring FMERA and the Army to closing on the transfer of the Phase 2 property. Mr. Steadman stated that there will be no other land available, except for the approximately 60+ acres of carve-outs that will be transferred to FMERA after the Army has completed their environmental review and submitted the data to the NJDEP for final approval.

Mr. Steadman answered Ms. Letson by stating that the Board does not meet at any other time because that would constitute a public meeting. Mr. Steadman stated that the Board members do correspond with him via email or phone if there are questions regarding the Board actions, and that otherwise the Board has empowered the staff to manage the business of the Authority in accordance with the Statute and Bylaws. Mr. Steadman stated that the Committee meetings include information sharing for the particular subject matter of the specific committee.

Mr. Steadman answered Mr. Mahedy by stating that there is no policy to close or to not use the geothermal fields in the future, and that some of the fields will be used and others will not be used, based on the individual needs of the purchasers of those properties. Mr. Steadman stated that he has no knowledge of the RAB computers being hacked, and that the RAB is an Army entity. Mr. Steadman stated that there is no intention of digging a "big hole" at the Veterans parcel or anywhere else in the Charles Wood Area. Mr. Steadman stated that the demolition of the Myer Center will follow a formal engineering plan and will be completed in accordance with State and Federal regulations, and that the plan will take into account the proximity to neighboring buildings.

Mr. Steadman stated that retired Lt. Col. John Occhipinti is the Army Site Manager, and has no obligation to be present at the FMERA Board meetings. Mr. Steadman stated that Mr. Occhipinti is one of the finest people he knows, that his exemplary service to his Country should not be questioned, and that Mr. Mahedy should not make any attempt to damage his reputation or otherwise tarnish the record of his service in the U.S. Army. Mr. Steadman noted that Mr. Mahedy's other assertions have been addressed numerous times at previous Board meetings and did not warrant further discussion.

There being no further business, on a motion by John Patti seconded by Robert Lucky and unanimously approved by all voting members present, the meeting was adjourned at 8:00 p.m.

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



Bruce Steadman - Secretary

ADOPTED
January 20, 2016

Resolution Regarding
Approval of Fourth Plan Amendment Permitting Alternative and Additional Development Scenarios in Oceanport

WHEREAS, the FMERA Act, P.L. 2010, c.51, in N.J.S.A. 52:271-26(c), and the Land Use Rules, in N.J.A.C. 19:31C-3.27, authorize FMERA to amend the plan from time to time as development progresses; and

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

WHEREAS, the proposed amendment #4, prepared by the Authority's contracted professional planner Phillips Preiss Grygiel, encompasses two Fort Monmouth properties in the Oceanport Reuse Area; and

WHEREAS, in accordance with the FMERA Act and the Land Use Rules, the Board approved transmitting the proposed Reuse Plan amendment #4 to the host municipalities at its October 21, 2015 meeting; and

WHEREAS, the 45-day comment period commenced on November 16, 2015; and

WHEREAS, the comment period expired on December 28, 2015 and responses were received from Tinton Falls, Eatontown and Oceanport; and

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

WHEREAS, the Real Estate Committee reviewed the Reuse Plan amendment #4 and the responses from the three host municipalities, as well as the analysis from FMERA staff, and recommends adoption of amendment #4.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority adopts the responses and the reasons for 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 #4 to the Fort Monmouth Reuse and Redevelopment Plan that would permit alternative and additional development scenarios 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: January 20, 2016

EXHIBIT 1

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Recommendation to Approve Proposed Plan Amendment #4 Permitting
Alternative and Additional Development Scenarios in Oceanport

DATE: January 20, 2016

Request

I am requesting that the Members of the Board approve the proposed Amendment #4 to the Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan) that would permit an alternative and additional 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 uses. The Reuse Plan included development of a high-tech/green industry cluster, education/medical

campus, a neighborhood center, a boutique hotel and spa, and expansive green space including the historic Parade Ground. The Oceanport Reuse Area also included the institutional/civic reuse of Russel Hall by FEMA.

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.

The Proposed Reuse Plan Amendment

The attached proposed Amendment #4 prepared by the Authority's planning consultant, Phillips Preiss Grygiel, LLC (PPG) encompasses two Fort Monmouth properties in the Oceanport Reuse Area. With the exception of the removal of the former helipad on the Parade Grounds, the proposed amendment does not delete any provisions of the Reuse Plan or Land Use Rules but rather would supplement the Plan by proposing additional uses at the Russel Hall Parcel and an alternative land use at the Dance Hall Parcel. Staff recommends these changes as the highest and best use for each site based on the results of the respective Requests for Offers to Purchase (RFOTPs).

1. Russel Hall Parcel: The former Garrison Headquarters will be allowed for office/research uses, but excluding warehouse uses, in addition to the currently permitted institutional/civic use. Ancillary retail uses intended to serve the primary office/research uses will be allowed. Dedicated on-street parking on Sanger Avenue will be additionally allowed. The former helipad on the Parade Grounds will be deactivated.
2. Dance Hall Parcel: The alternative development scenario for the former recreation center (Building 552, or the Dance Hall) will allow for reuse for commercial/retail uses, which the amendment clarifies to include craft production; outdoor dining accessory uses would also be allowed. The alternative maintains some or all of Van Kirk Park as publicly accessible open space, including the construction of permitted accessory structures such as an outdoor performance stage. The alternative also maintains the existing roadway configuration of Brewer Avenue and parking areas totaling approximately 29,000 square feet, while Telegraph Avenue could be eliminated or privatized by the owner of the Dance Hall parcel.

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 does not include any changes to residential uses and so would not change the total number of residential units planned in Oceanport.
2. This Amendment affects only the Oceanport Reuse Area. As to those portions of the Oceanport Reuse Area not modified by this Amendment, their value and use is increased due to the incorporation of market-driven interest and uses in the parcels that are modified by this Amendment.

3. This Amendment would maintain the overarching land use concepts, objectives and principles of the Reuse Plan; thus, the Reuse Plan would remain a rational coordinated land use plan.
4. This Amendment is consistent with the Authority's BRAC obligations and the negotiations related to the Phase 2 Economic Development Conveyance (EDC) agreement with the Army by aligning the planned uses with actual market-driven responses to RFOTPs.
5. The proposed Amendment includes changes to circulation envisioned in the Reuse Plan to address the land use changes. As indicated in the Reuse Plan, impacts on the existing gas, electric, water, wastewater and telephone utilities are to be evaluated at site plan review for a specific project.

The proposed changes included in the Amendment currently demonstrate an overall reduction in the open space preserved or protected in the Oceanport Reuse Area, although the planned retention of some or all of Van Kirk Park would largely offset the reduction. Staff is working on strategies to accommodate additional open space within Oceanport, in accordance with the Board approved guidance in the Suggested Implementation of Open Space Inventory for Redevelopment of Fort Monmouth.

In accordance with the Act and the Land Use Rules, on October 21, 2015, the FMERA Board approved the transmittal of proposed Amendment #4 to the governing body of each municipality for a 45-day comment period. The municipalities received Amendment #4 on October 22, 2015, although the 45-day comment period began on November 16, 2015, upon expiration of the Governor's 10-day veto period; the comment period ended on December 28, 2015. 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 #4 and that no comment or feedback was received from the Planning Board. The letter from the Tinton Falls Council President states that the Borough Council reviewed the amendment and has no comment.

Oceanport's comment stated that Amendment #4 was reviewed by the Borough Planner, Borough Engineer, Environmental Commission, Police Department, First Aid, Fire Department and Office of Emergency Management. The Oceanport Planning Board discussed the proposed amendment at a Regular Meeting and supported the proposed amendment. The Oceanport Borough Council passed a resolution including the Planning Board's comments and support of the proposed amendment. Per the request of the Borough, the Borough's contracted planning firm provided a review of Amendment #4. 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 net loss in open space in Oceanport. The Planning Board also included a letter from the Borough Engineer which recommended the Planning Board support Amendment #4, with consideration to the following comments: (1) any outdoor music or performances comply with the Borough's Noise Ordinance and (2) outdoor dining shall provide a means to separate it from the public areas. Oceanport included a letter from the Oceanport Environmental Commission, which raised concerns on three issues. The Commission


recommends that (1) outdoor entertainment should not be an allowed use, (2) the amendment should expand on environmental issues and specifically identify and describe exempt contamination, and (3) the amendment should provide more detail on the proposed locations of bicycle paths, waterfront paths and other areas of public access.

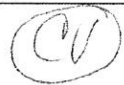
Per FMERA's Land Use Rules, Authority staff must review reports from each municipality and provide a preliminary analysis of reasons for accepting or not accepting recommendations received from host municipalities. Staff has considered the concerns and recommendations made, and would note that future occupants of properties in the Oceanport Reuse Area of the former Fort are required to comply with the Borough's Noise Ordinance. In addition, FMERA's Land Use Rules provide specific screening requirements for outdoor retail areas. In response to the comments from Oceanport's Environmental Commission, staff believes the amendment options would support the highest and best uses of the parcels in Oceanport, as well as support ongoing redevelopment of the former Fort. Staff believes the recommendation to identify and describe exempt contamination is beyond the scope of the amendment. 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.

After reviewing the comments from the host municipalities, the Real Estate Committee recommends Board approval of Amendment #4.

Recommendation

In summary, I am requesting that the Board approve the proposed Amendment #4 to the Reuse Plan that would permit alternative and additional development scenarios in Oceanport.



Bruce Steadman 

Attachments: Proposed Reuse Plan Amendment #4
Reports from Host Municipalities

Prepared by: Candice Valente

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

DATE: February 17, 2016

SUBJECT: Monthly Status Report

Summary

The following are brief descriptions of the Fort Monmouth Economic Revitalization Authority (FMERA) staff's monthly activities which include an Update on the 2015 Comprehensive Annual Report; Update on Meetings with Army Representatives; Update on Requests for Proposals (RFPs) and Other Contracts; Update on Requests for Offers to Purchase (RFOTPs); Update on Marketing Effort; and Action Items for Next Month.

Treasurer's Report**1. 2015 Comprehensive Annual Report**

Staff is preparing the Authority's 2015 Annual Report for presentation to the Audit Committee with the audited financial statements, which serve as FMERA's Comprehensive Annual Report to meet the requirements of Executive Order No. 37 (2006). It is expected that a draft report and statements will be available for review in mid-March, and finals presented to the Board in April.

The Authority's independent auditors, Clifton Larson Allen have begun their audit of the Authority's 2015 operations. The Auditors will report on the Authority's financial statements and accompanying notes, as well as report on the Authority's internal controls and compliance with Government Auditing Standards. Field work will begin the week of February 23.

Executive Director's Report**1. Update on Meetings with Army Representatives**

FMERA and the Army have been holding discussions on the future transfer of the balance of the Main Post since March 2014, when the terms of the Phase 2 purchase were finalized, to be accomplished under a Phase 2 Memorandum of Agreement (MOA). After receiving support from the Board for the proposed terms negotiated by FMERA staff and Army representatives for the Authority's acquisition of the balance of the Main Post, staff submitted the Phase 2



Economic Development Conveyance application on July 1, 2014, and it is currently under review by the Army. A draft MOA is currently under review by the Army. In addition to weekly conference calls, Tom Lederle, Chief BRAC Division and James Briggs, Acting Branch Chief, ACSIM, met at Fort Monmouth with FMERA staff in an attempt to bring closure to the remaining issues. The meeting was productive and provided a path forward to finalize the MOA. There will be an executive session at tonight's meeting of the Board to discuss the path forward. The goal now is to seek approval from the Board to execute the Phase 2 MOA with the Army at the March Board meeting.

2. Update on RFPs and Contracts

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

Auctioneer

There has been no auction activity since November 10th.

Utilities

FMERA continues to plan for upgrades to utility systems and working with the public utilities and our subcontractors to ensure required utilities are safe and operational. There have been meetings with Two Rivers Water Reclamation Authority (TRWRA), and the three borough's engineers and officials to plan a path forward for both sanitary sewer and water service. We are currently working with the Oceanport Engineer and NJAW on a proposal to submit a water main application to NJAW to accommodate the historic housing development, the fitness center, FMERA offices and additional pending building sales in the area surrounding the historic district. FMERA is also discussing roadways, public rights of way and easements with the three Boroughs. A draft agreement with JCP&L to own, operate and maintain the CWA power system is undergoing a final review. This agreement will serve as a template for a Phase 2 agreement which is currently under discussion. FMERA hopes to bring it to the Board in March.

Suneagles

The golf course is in full winter mode and play is dependent on the weather. There are no events booked at Gibbs Hall until March.

Property Management/Maintenance

Our property management/maintenance team, Chenega Operations Services, has been quite busy keeping our property presentable and secure, for both marketing purposes and keeping our employees and tenants safe and comfortable. They are in full winter mode, ensuring the facilities weather the cold. We are preparing for the transition to maintaining the Phase 2 property when transferred.

Marina

The Marina is focused on special events such as the Super Bowl, Valentine's Day and St. Patrick's Day, awaiting warmer weather and continues to be open evenings and for brunch on the weekends.

Appraiser Request for Qualifications

FMERA issued a Request for Qualifications (RFQ) for Real Estate Appraisal Services on November 13th. Qualifications were received on December 14th and 5 proposals were received and are under evaluation. Through this RFQ, the Authority seeks to establish a pre-qualified pool of five (5) to ten (10) qualified firms to provide these services on an as needed basis.

Sublease of McAfee Center Complex – Buildings 600, 601 and 603

FMERA issued two Requests for Proposals (RFP) for a Sublease of Building 601 and Building 603, respectively, in the McAfee Center Complex of the Oceanport Reuse Area. The RFPs called for entities interested in the buildings specifically for research and development activities related to a scientific, engineering and/or information technology related use. FMERA received no responses to the RFP, which were due on January 8, 2016. FMERA subsequently issued an RFP for a Sublease of Building 600, the McAfee Center, also located in the Oceanport Reuse Area. The RFP allows for the option of leasing one floor, two floors or the entire building, and offers must include a plan to use the property for scientific, engineering and/or information technology-related uses. Proposals were due on February 5, 2016, and one proposal was received. FMERA staff is reviewing the proposal to determine the feasibility and will form an Evaluation Committee if needed.

3. Update on RFOTPs

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

Officer Housing

FMERA staff issued an RFOTP for the Officer Housing in the Historic District of the former Fort in January 2013, and two proposals were received. The Officer Housing is intended for residential reuse consistent with the Reuse Plan. At the April 2014 meeting of the Authority, the Board approved the recommendation to enter into exclusive negotiations with RPM Development Group in accordance with the Authority's Sales Rules. The Authority approved extensions to the exclusive negotiations period through April 2015. The property is located outside of the Fort's Phase One project area, so FMERA's ability to sell the property is contingent on execution of a Phase 2 EDC Agreement with the Army. At the May 2014 meeting of the Authority, the Board approved FMERA staff entering into a Lease with the Army and a Sublease with RPM for the property, enabling RPM to undertake due diligence and pursue financing and project approvals in advance of FMERA's execution of the Phase 2 EDC Agreement. The Officer Housing project has received preliminary and final major site plan and subdivision approval from the Oceanport Planning Board. The Board approved a Purchase and Sale Agreement and Redevelopment Agreement (PSARA) with RPM at the June 2015 meeting, and the PSARA was executed on July 29th.

Marina

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

NJ DEP approval. The boat house restaurant opened on July 29th. Contract negotiations continue and FMERA hopes to bring a recommendation to the Board in the coming months.

Russel Hall

Russel Hall is a 42,300 sf, four-story administration building located on Sanger Avenue in the Oceanport Reuse Area of the Fort. The property is located outside of the Fort's Phase One project area, so FMERA's ability to sell the property will be contingent on execution of a Phase 2 EDC Agreement with the Army. FMERA staff issued an initial RFOTP for Russel Hall in September 2013, with proposals due in November 2013. At the January 2014 meeting of the Authority, the Board approved the recommendation to enter into exclusive negotiations with the sole proposer, Kiely Realty Group, LLC, in accordance with the Authority's Sales Rules; the Board subsequently approved extending the exclusive negotiations term a total of 75 days. At the May 2014 meeting of the Authority, the Board approved a Lease with the Army and Sublease with Kiely, although the Sublease was never finalized or executed. FMERA and Kiely disagreed over the reactivation of the former heliport, and the Authority voted to end negotiations with Kiely, terminate the RFOTP and issue a new RFOTP at the December 2014 Board meeting. On February 13, 2015 FMERA issued an RFOTP for Russel Hall that includes a 4.6 acre parcel of land and excludes the former heliport. Proposals were due on April 13, 2015 and FMERA received 3 proposals. An evaluation committee scored the proposals and negotiations with the leading bidder have led to a PSARA for the property. The Board approved the PSARA with TetherView Property Management, LLC (TetherView) on October 21, 2015. TetherView will renovate Russel Hall to serve as the new home of TetherView, Inc., a private cloud computing services company. The Army has revised its Lease with FMERA to allow for the use and occupancy of the building until conveyance of the property. FMERA executed a sublease with TetherView on December 18, 2015, and the company has renovated and occupied the third floor of the building.

Fitness Center

On March 14, 2014 an RFOTP was issued for the Fitness Center in the Oceanport Reuse Area of the Fort. The property consists of 7.75 acres of land and three buildings, as well as all of the fitness equipment located within Building 114. FMERA set \$1,950,000 as the minimum bid amount for the property. Proposals were due May 28, 2014, and one proposal was received. The property is located outside of the Fort's Phase One project area, so FMERA's ability to sell the property is contingent on execution of a Phase 2 EDC Agreement with the Army. At the May 2015 Board meeting, the Board approved entering into a Lease with the Army and a Sublease with FM Partners, LLC for the property, so the potential purchasers can begin site work and renovations in advance of a 2015 closing with the Army. The Board approved a Purchase and Sale Agreement and Redevelopment Agreement (PSARA) with FM Partners at the June 2015 meeting. The PSARA was executed on August 11th.

Main Post Chapel

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

FMERA proceeded to issue a second RFOTP on February 20, 2015 in accordance with the Authority's Sales Rules. Proposals were due on June 26, 2015, and one proposal was received. The sole proposer has chosen to withdraw their proposal. FMERA staff plans to issue a new RFOTP in the coming weeks.

Dance Hall

On March 13, 2015, FMERA issued an RFOTP for Building 552, the former recreation center in Oceanport referred to as the Dance Hall. Located on an approximately 4.2 acre parcel, the 16,420 gsf former recreation center was constructed circa-1941, and is adjacent to the Fort's Historic District. The property is located outside of the Fort's Phase One project area, so FMERA's ability to sell the property is contingent on execution of a Phase 2 EDC Agreement with the Army. Although the Reuse Plan contemplates demolition of Building 552, the unique design features of the building and its central location near the planned tech center at the McAfee building, the renovated Officer Housing and Fitness Center, and the Main Post Chapel, lead FMERA staff to believe that the property has great potential for reuse as a restaurant, café, coffee house, microbrewery, gallery and/or performance space, serving small entertainment and recreation uses as it once did when the Fort was in operation. Green space could be maintained in the adjacent park space, which includes two memorials. Although permitted uses include office/research, institutional/civic or open space/recreation, FMERA will review offers that propose alternative uses. Proposals were due on June 26, 2015 and two proposals were received. An evaluation committee reviewed the proposals and negotiations have begun with the leading proposer. Staff plans to present a recommendation at an upcoming meeting of the Board.

Nurses' Quarters

On March 13, 2015, FMERA issued an RFOTP for the Nurses' Quarters in Oceanport, Buildings 1077 and 1078, located on an approximately 3.75 acre parcel along Main Street and Stephenson Avenue. Built in 1962, the buildings contain 24 one- and two-bedroom units that were formerly used as apartments for Army nurses. The property is located outside of the Fort's Phase One project area, so FMERA's ability to sell the property is contingent on execution of a Phase 2 EDC Agreement with the Army. The Reuse Plan contemplates the reuse of the buildings as mixed-income apartments, but FMERA will review offers that propose alternate uses. Proposals were due on June 26, 2015 and five proposals were received. An evaluation committee reviewed the proposals and discussions have begun with the leading proposer.

Commissary

The Commissary, Building 1007, is an approximately 53,700 square foot commercial building located in the Oceanport Reuse Area. The property was constructed in 1998 and was used as a grocery store by the Army. The Reuse Plan contemplates the renovation and reuse of the building as a retail and/or community center. Given its location and size, the redevelopment of the building for a retail center is unlikely. FMERA staff received interest in the building for office and research and development use. On July 17, 2015, FMERA issued an RFOTP for the Commissary on a +/- 6 acre parcel, which includes parking. The property is located outside of the Fort's Phase One project area, so FMERA's ability to sell the property is contingent on execution of a Phase 2 EDC Agreement with the Army. Proposals were due on August 17 and one proposal was received. An evaluation committee reviewed the proposal and discussions with the proposer led to a negotiated Purchase and Sale Agreement & Redevelopment Agreement (PSARA), which was approved by the Board at its November 2015 meeting. FMERA was informed that the proposed buyer, Wayside Technology, has decided not to move

forward with the purchase. FMERA will issue a new RFOTP for the building in the coming months.

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

Howard Commons

Howard Commons is a 63.67-acre tract on Pinebrook Road in the Fort's Charles Wood Area. The property is currently improved with 486 townhouse units constructed by the Army in 1953, along with a 3,853 sf general purpose building. The Reuse Plan calls for the demolition of the existing improvements and their replacement with 275 dwelling units and approximately 15,000 sf of ancillary retail/commercial space. In accordance with the Reuse Plan, 20% of the new units will be affordable housing qualified. At the January 2014 meeting of the Authority the Board approved a PSARA for Howard Commons with HovWest Land Acquisition, LLC (HovWest). The Authority and HovWest executed the PSARA effective as of May 19, 2014. HovWest exercised its right under the PSARA to withdraw from the project, noting that higher than expected groundwater caused them to make this decision. At the August 2014 meeting of the Authority, the Board approved the termination of the RFOTP process and the issuance of a new RFOTP for Howard Commons, in accordance with the Authority's Sales Rules. Staff issued a new RFOTP for Howard Commons on December 29, 2014. The response date for the new RFOTP was extended to July 10, 2015, and three proposals were received. An evaluation committee reviewed the proposals and discussions have begun with the leading proposer. FMERA staff plans to make a recommendation at an upcoming meeting of the Board.

Parcel B

In March 2013 FMERA publically issued an RFOTP for Parcel B, a 55-acre tract located along the Fort's Route 35 frontage in the Main Post's Eatontown Reuse Area. The Reuse Plan calls for Parcel B to be developed as a high quality lifestyle center, with approximately 150,000 square feet of retail, restaurant, entertainment and other uses in a Main Street format, along with 302 mixed-income apartments. Four proposals were received. At the February 2014 meeting of the Authority, the Board authorized FMERA staff to terminate the RFOTP process without awarding a contract and issue a new RFOTP for Parcel B, in accordance with the Authority's Sales Rules. The new RFOTP for Parcel B will seek proposals that meet the Reuse Plan's goal of creating a lifestyle town center, as an exciting and attractive gateway to the Fort. At the January 2015 meeting, the Board authorized staff to add 12 acres to Parcel B and issue a new RFOTP, which will increase the square footage of retail and/or commercial development on the parcel to 250,000 square feet, while keeping the number of housing units at 302. Additionally, the new RFOTP will add another 12 acres including Mallette Hall as an optional component. On February 20, 2015 FMERA issued the RFOTP for the expanded Parcel B. Proposals were due on July 10, 2015, and five proposals were received. An evaluation committee reviewed the proposals and discussions with the leading proposer have begun. FMERA staff will make a recommendation at tonight's meeting of the Board to enter into exclusive negotiations with the leading proposer.

Suneagles Golf Course

On October 8, 2015, FMERA issued an RFOTP for the Suneagles Golf Course, an A.W. Tillinghast design golf course, and associated facilities in the Eatontown Reuse Area. The 171 acre parcel of land includes Gibbs Hall (Building 2000), Joe's Sports Bar/19th hole (Building 2018), a maintenance facility (Buildings 2070/2071) and the Megill Housing area (Buildings 2022-2042). Gibbs Hall, listed as a historic resource on the National Register, is a 37,125 square foot club house/catering facility that can accommodate over 650 guests. The property

also contains an in-ground swimming pool, tennis courts and a pro-shop. The Reuse Plan contemplates continued use of the property as a golf course with a new 150 room hotel/conference center to be developed in the Megill Housing area; permitted land uses for the parcel are hospitality and open space/recreation. The golf course property will have a deed restriction requiring maintenance of the golf course use for a minimum of 20 years following title transfer, and proposals carrying this restriction beyond 20 years will receive special consideration in the evaluation process. FMERA has set \$6,287,500 as the minimum bid. Proposals were due on February 5, 2016 and a pre-proposal conference was held on October 30, 2015. One proposal was received that, after review, was deemed non-responsive to the RFOTP.

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

Fabrication Shops (Pinebrook Road Commerce Center at Fort Monmouth)

At the June 2013 meeting of the Authority, the Board approved making the Pinebrook Road Commerce Center (buildings 2501 – 2504, 2506 and 2507, totaling approximately 44,000 sf) available through the offer to purchase process. The five fabrication shops consist of flex (industrial/office) space in varying configurations. There is also a building (building 2501) on site that is well-suited for use as office space. The Parcel is located off of Pinebrook Road in the Tinton Falls Reuse Area of Fort Monmouth. An RFOTP for the parcel was issued in September 2013, and three proposals were received. At the May 2014 meeting of the Authority, the Board approved the recommendation to enter into exclusive negotiations with the highest ranked proposer, Pinebrook Commerce Center, LLC (PCC), in accordance with the Authority's Sales Rules. The Board approved extensions of the exclusive negotiations period with PCC through April 2015, due to delays in negotiating an acceptable access plan for this section of the Charles Wood Area. At the April 15th meeting of the Authority, the Board approved a PSARA with PCC for the former fabrication shops. The PSARA was executed on August 10th.

Parcels C and C1

In March 2013 FMERA publically issued RFOTPs for Parcels C and C1. Three proposals were received for Parcel C, and three proposals were received for Parcel C1, with some firms submitting multiple scenarios for redevelopment. FMERA staff evaluated the proposals in accordance with the Authority's Sales Rules, and subsequently engaged in discussions with the highest ranked proposers. Parcel C is in the Tinton Falls Reuse Area and is planned as a mixed-use town center. The 39-acre lot can accommodate up to 239 newly constructed residential units, along with up to 107,000 square feet of retail and other commercial development. Parcel C1 is a 12-acre tract also located in the Tinton Falls Reuse Area. In accordance with Reuse Plan amendment #1, the property can accommodate up to 49 newly constructed residential units. At the April 2014 meeting of the Authority, the Board approved the recommendation to enter into exclusive negotiations with Lennar Corporation in accordance with the Authority's Sales Rules. The Authority has approved extensions to the exclusive negotiations period through March 2015. At the September 16, 2015 meeting, the Board approved a PSARA with Lennar, which was executed on December 1, 2015.

Parcels V-1 and F-2

Parcel V-1 was a 10-acre tract in the Eatontown section of the former Fort which was put out for bid for the purpose of establishing a Veterans Community. An RFOTP was publically issued for the parcel in September 2013 and two proposals were received in December 2013. Both bidders proposed paying nominal consideration to acquire and redevelop the property into

a Veterans community. At the June 2014 meeting of the Authority, the Board authorized FMERA staff to terminate the RFOTP process without awarding a contract. At its September 2014 meeting, the Authority approved the issuance of a new RFOTP for a Veterans project in the Tinton Falls Reuse Area, on a 15-acre site to be known as Parcel F-2, which includes approximately 8.2 acres of developable land and Buildings 2704 and 2719. The RFOTP for F-2 was issued on December 12, 2014 and proposals were due on March 13, 2015. FMERA has set \$650,000 as the minimum bid amount for the Parcel. One compliant proposal was received and an evaluation team has scored the proposal. Negotiations with the proposer continue, and a meeting of the Veterans Committee will be scheduled to discuss the project.

Pistol Range

In November 2013 an RFOTP was issued for the Pistol Range. The Pistol Range is a one-story 11,110 sf building, equipped with 10 indoor firing lanes, in the Tinton Falls Reuse Area of the former Fort. The range was constructed in 2006. The facility sits on a 1-acre parcel, which represents the minimum lot size needed to accommodate required parking and building setbacks. The RFOTP allowed respondents the option to provide alternate proposals that included the purchase of additional adjacent land and/or buildings and the use of the property for non-governmental purposes. Proposals were due in February 2014 and five were received. At the May 2014 meeting of the Authority, the Board approved the recommendation to enter into exclusive negotiations with Kiely Realty Group, LLC, (Kiely) the highest ranked proposer, in accordance with the Authority's Sales Rules. Negotiations with Kiely led to a PSARA, which was approved at the November 2015 Board meeting and executed on February 9, 2016.

Satellite Road Parcel 1

On August 14, 2014, an RFOTP was issued for a 1.5 acre parcel in the Tinton Falls area of the former Fort, bordering Satellite Road and Fire Line Drive. The property is in the Tinton Falls Tech/Office Campus and permitted uses include office/research, institutional/civic and open space/recreation. Proposals were due on October 17, 2014 and two were received. Kiely Realty Group, LLC, (Kiely) was the highest ranked proposer for the parcel; the company proposed to use the site in conjunction with the redevelopment of the adjacent parcel, the former Pistol Range. As Kiely was also the Board approved developer of the Pistol Range site, FMERA and Kiely negotiated a joint PSARA, which was approved by the Board at its November 2015 meeting.

Charles Wood Firehouse

In December 2013 an RFOTP was issued for the Charles Wood Firehouse in the Tinton Falls Reuse Area of the Fort. The Firehouse is a 10,000 sf structure on Corregidor Road, built in 2001. The permitted principal land use for the 2.3 acre parcel of land and building is institutional/civic reuse in the Fort's Reuse Plan. Proposals were due on March 20, 2014 and one proposal was received. Subsequently, the one proposer retracted its proposal. FMERA staff issued a second RFOTP on November 14, 2014 in accordance with the Authority's Sales Rules. Proposals were due on January 12, 2015 and two proposals were received. Both of the proposers have since withdrawn their proposals. Staff, with input from the contracted broker Cushman & Wakefield, revised the acreage of the parcel and received Board approval in November 2015 to issue a new RFOTP that includes this expanded acreage. The new RFOTP, which encompasses approximately 4 acres, will be issued in the coming weeks.

Parcel F-1

On December 5, 2014, FMERA issued an RFOTP for a 38 acre parcel in the Tinton Falls Reuse Area of the former Fort, which contains the 673,450 square foot Myer Center and the 47,592

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

Parcel F-3

On February 6, 2015, FMERA issued an RFOTP for a 3.5 acre parcel in the Tinton Falls Reuse Area, containing Building 2567, a 1,335 square foot building constructed in 1970. The building formerly housed a shopette/gas station and the property includes an above ground fuel tank and fuel dispensing island. The Reuse Plan envisions reuse of the property as a gas station, but FMERA will also entertain proposals for other commercial uses or open space/recreational uses. Proposals were due on April 7, 2015 and one proposal was received. An evaluation team has reviewed the proposal, negotiations with the sole bidder led to a Purchase and Sale Agreement and Redevelopment Agreement (PSARA), and FMERA staff will make a recommendation at tonight's meeting of the Board.

Building 2525

On February 13, 2015, FMERA issued an RFOTP for Building 2525, on a 13.5 acre parcel in the Tinton Falls Reuse Area. Building 2525, an 86,400± square foot office building, was constructed in 1942 and renovated in 1999, and was formerly used as administrative space by the Army. In addition to office/administrative/technology uses, FMERA indicated that it would accept proposals for other uses, excluding residential uses. Proposals were due on March 30, 2015 and one proposal was received from RADAR Properties, LLC (RADAR). An evaluation team reviewed the proposal and negotiations successfully led to a PSARA with the developer, which was approved by the Board at the September 16, 2015 meeting. RADAR will lease approximately 30,000 square feet of the building to Aaski Technology, Inc., (Aaski), a defense contractor and communications engineering firm currently located in Eatontown and Ocean Township, N.J., as well as Aberdeen, Maryland. Aaski will consolidate its New Jersey operations at Fort Monmouth rather than relocating to Maryland, thereby retaining 105 jobs in the state and creating an additional 25 new jobs by 2018. The PSARA was executed on October 16, 2015. On February 5, 2016, the purchaser closed on the property.

Child Development Center

On February 27, 2015, FMERA issued an RFOTP for Building 2290, the former Child Development Center (CDC), on a 7.4 acre parcel in Tinton Falls adjacent to CommVault's new world headquarters. Built in 1996, the CDC is a 19,600± square foot former daycare center, containing classrooms and a kitchen facility. The Reuse Plan contemplates reuse of the building as a child care/school facility, and permitted uses include institutional/civic and open space/recreation, although FMERA will review proposals for other uses. Proposals were due on May 27, 2015, and three proposals were received. An evaluation committee was formed and scored the proposals. At the October 21, 2015 meeting, the Board approved a PSARA with Trinity Hall, Inc. for the CDC. Trinity Hall will relocate its students and staff to the building upon completion of renovations in 2016. This will bring 22 jobs to the Fort, with the creation of 100 new jobs within 4 years of closing. The PSARA was executed on November 19, 2015.

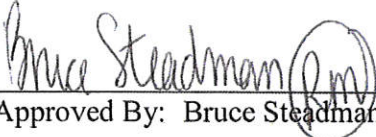
4. Marketing Update

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

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
February 17, 2016

Resolution Regarding
**Transmittal to Host Municipalities of Proposed Fifth Plan Amendment Permitting
Alternative Development Scenario in Tinton Falls**

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

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

WHEREAS, the proposed Amendment #5, prepared by the Authority's contracted professional planner Phillips Preiss Grygiel (PPG), encompasses the Pistol Range parcel, and adjacent 1.5 acre Satellite Road property, in Tinton Falls; and

WHEREAS, the Reuse Plan envisioned the institutional/civic reuse of the former Pistol Range, the demolition of the extant structures, including Buildings 2628 and 2629, and the reforestation of the adjacent 1.5 acres along Satellite Road; and

WHEREAS, Plan Amendment #3, as adopted by the FMERA Board in November 2015, included the commercial reuse of the former Pistol Range and the adjacent 1.5 acre parcel along Satellite Drive for commercial and/or accessory parking; and

WHEREAS, based on negotiations and opportunities that arose through the Request for Offers to Purchase (RFOTP) process for the property, FMERA staff and PPG prepared the proposed Amendment #5; and

WHEREAS, the land uses proposed in Amendment #5 include the development of an additional 58,000 square feet of nonresidential building, the commercial reuse of the former Pistol Range, Building 2628 and Building 2629, additional commercial/retail use in the adjacent 1.5 acre portion of the parcel on Satellite Road, and a new east-west road connecting Satellite Road to Pearl Harbor Drive just north of the Pistol Range parcel; and

WHEREAS, the land uses in proposed Amendment #5 supersedes the uses for the Pistol Range parcel and adjacent 1.5 acres in Plan Amendment #3; and

WHEREAS, staff has reviewed the proposed Amendment #3 with regard to the guidance for reviewing a proposed amendment and reached the following conclusions: (1) this Amendment would not change the total number of residential units planned in Tinton Falls; (2) this Amendment affects only the Tinton Falls Reuse Area, and the value and use of adjacent parcels in Tinton Falls is increased due to the incorporation of market-driven interest and uses;

(3) this Amendment would maintain the overarching land use concepts, objectives and principles of the Reuse Plan; (4) this Amendment is consistent with the Authority's BRAC obligations and the existing Phase 1 Economic Development Conveyance Agreement with the Army; and (5) this Amendment includes changes to circulation envisioned in the Reuse Plan to address the land use changes; and

WHEREAS, the Real Estate Committee has reviewed the proposed plan change Amendment #5, and recommends approval of the transmittal of the proposed amendment to the governing body of each host municipality.

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached memorandum, the Authority approves the transmittal to the governing body of each of the three host municipalities of the proposed attached Amendment #5 to the Fort Monmouth Reuse and Redevelopment Plan that would permit additional land uses for the Pistol Range and adjacent 1.5 acre parcel on Satellite Road in the Tinton Falls Reuse Area.

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

ATTACHMENT

Dated: February 17, 2016

EXHIBIT 1

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Transmittal to Host Municipalities of Proposed Plan Amendment #5 Permitting Additional Development Scenario in Tinton Falls

DATE: February 17, 2016

Request

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

Background

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

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

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

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



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

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

Development Contemplated under the Reuse Plan

The Reuse Plan currently envisions the redevelopment of the Tinton Falls Reuse Area for approximately one million square feet of non-residential uses and 288 residential uses. The Reuse Plan included development of a high-tech business campus with a multi-use town center with ground-floor retail space with mixed-income housing or professional office space above, and standalone residential, institutional and civic uses. The Tinton Falls Reuse Area also included the commercial reuse of former fabrication shops and the institutional reuse of police training facilities at the pistol range. Reuse of additional facilities in Tinton Falls included the commercial gas station on Hope Road and the governmental reuse of the Fire Station on Corregidor Road.

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

In November of 2015, the FMERA Board approved Plan Amendment #3, which allowed for alternative and additional development scenarios for several parcels in Tinton Falls, including the following: (1) Light industrial/fabrication/assembly use at the Pinebrook Road Commerce Center Parcel and adjacent 1.5 acres, including incidental office and limited ancillary retail uses; (2) Low-density and expanded medium-density residential uses and retail uses in Parcel C; (3)

Reduce the number of residential units in Parcel C1; (4) Allow for the potential demolition of the commercial gas station on Hope Road and the institutional/civic use of the parcel; (5) Allow for the commercial reuse of the Charles Wood Fire Station, as well as the ancillary commercial and/or accessory parking use of the adjacent parcel. In addition, Plan Amendment #3 allows for the commercial reuse of the former Pistol Range and the adjacent 1.5 acre parcel along Satellite Drive for commercial and/or accessory parking. Although the 1.5 acre parcel is envisioned in the Reuse Plan as passive open space that is to be “reforested,” the land is currently improved with remnants from its former uses as fire and police training facilities including concrete pads, a paved roadway, and a fragmented segment of a railroad track and is not currently forested.

The Proposed Reuse Plan Amendment

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

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

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

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

1. This Amendment would not change the total number of residential units planned in Tinton Falls.
2. This Amendment affects only the Tinton Falls Reuse Area. As to those portions of the Tinton Falls Reuse Area not modified by this Amendment, their value and use is

- increased due to the incorporation of market-driven interest and uses in the parcels that are modified by this Amendment.
3. This Amendment would maintain the overarching land use concepts, objectives and principles of the Reuse Plan; thus, the Reuse Plan would remain a rational coordinated land use plan.
 4. This Amendment is consistent with the Authority's BRAC obligations and the existing Phase 1 Economic Development Conveyance (EDC) agreement with the Army by aligning the planned uses with actual market-driven responses to RFOTPs.
 5. The proposed Amendment includes changes to circulation envisioned in the Reuse Plan to address the land use changes. As indicated in the Reuse Plan, impacts on the existing gas, electric, water, wastewater and telephone utilities are to be evaluated at site plan review for a specific project.

In order for the Authority to begin the public process required before the Board considers approval or disapproval of the amendment to the Plan, FMERA staff is requesting approval to transmit the attached proposed Amendment to the governing body of each of the three host municipalities. The proposed changes included in the Amendment currently demonstrate an overall reduction in the open space preserved or protected in the Tinton Falls Reuse Area, although there is no change to the open space as previously approved in Plan Amendment #3. Staff is working on strategies to accommodate additional open space within Tinton Falls, in accordance with the Board approved guidance in the Suggested Implementation of Open Space Inventory for Redevelopment of Fort Monmouth.

The Real Estate Committee reviewed proposed Plan Amendment #5 and recommends Board approval of the transmittal to the three host municipalities.

Recommendation

In summary, I am requesting that the Board approve the transmittal to the three host municipalities of the proposed Amendment #5 to the Reuse Plan that would permit alternative development scenarios in Tinton Falls.


Bruce Steadman

Attachments: Proposed Reuse Plan Amendment #5
Prepared by: Candice Valente

ATTACHMENT

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

ADOPTED
February 17, 2016

Resolution Regarding
**Authorization for FMERA to Enter into a Purchase and Sale Agreement and
Redevelopment Agreement with Monmouth County Park System for Parcel F-3**

WHEREAS, on February 6, 2015, FMERA issued and publicly advertised a Request for Offers to Purchase (RFOTP) for Parcel F-3, an approximately 3.5 acre parcel of land including Building #2567, a former gas station and shoppette building, and the accompanying paved and parking areas, in the Tinton Falls Reuse Area; and

WHEREAS, the RFOTP accepted offers to reuse for commercial and/or open space beyond the reuse as a gas station/convenience store as envisioned in the Fort Monmouth Reuse and Redevelopment Plan; and

WHEREAS, FMERA received one proposal for the property on April 7, 2015, and an evaluation committee evaluated and scored the proposal, and agreed that the proposal was compliant with the RFOTP; and

WHEREAS, the proposal from Monmouth County Park System (MCPS) includes open space improvements and facilities to support the functions and parking needs of the adjacent Monmouth County Recreation Center; and

WHEREAS, negotiations with MCPS have resulted in the attached Purchase and Sale Agreement and Redevelopment Agreement (PSARA); and

WHEREAS, the terms of the proposed PSARA include MCPS' payment of \$560,000 for the property; initial closing will occur within 30 days of satisfaction of the conditions precedent, which include MCPS completing due diligence and obtaining all approvals necessary to develop the project and consent from the NJEDA Board of MCPS as redeveloper; and

WHEREAS, a subsequent closing for the carve-out parcel, a former fueling station, shall occur after receipt of a final remediation document from the New Jersey Department of Environmental Protection; and

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

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the selection of Monmouth County Park System, as the purchaser of Parcel F-3 and associated property in Tinton Falls pursuant to the February 6, 2015 Requests for Offers to Purchase (RFOTP), on terms substantially consistent to those set

forth in the attached memorandum and the attached Purchase and Sale Agreement and Redevelopment Agreement (PSARA) and with final terms acceptable to the Executive Director and the Attorney General's Office, and authorizes the Executive Director to execute the PSARA and take any necessary actions to effectuate the selection of Monmouth County Park System as the purchaser.

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

ATTACHMENT

Dated: February 17, 2016

EXHIBIT 2

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

DATE: February 17, 2015

RE: FMERA Purchase and Sale & Redevelopment Agreement with Monmouth County for Parcel F-3 which includes Building 2657 in the Tinton Falls Reuse Area

Summary

I am requesting that the Board approve the Authority's execution of a Purchase and Sale & Redevelopment Agreement ("PSARA") with Monmouth County ("MC") for the sale and redevelopment of Parcel F-3 and Building 2657 (the "Project") in the Tinton Falls Reuse Area.

Background

FMERA issued a Request for Offers to Purchase ("RFOTP") in connection with the planned redevelopment of the Project on February 6, 2015. The RFOTP included a parcel approximately 3.5± acres in size containing the +1,335 sf former Shoppette Building and Gas station (#2567) constructed in 1970, and the accompanying paved and parking areas. The Fort Monmouth Reuse and Redevelopment Plan ("Reuse Plan") calls for the reuse of the building as a gas station/shoppette with the majority of the Property as passive open space. In addition, FMERA envisioned the Property could also be used in a commercial or open space/recreation capacity. Therefore, the RFOTP accepted offers to reuse for commercial or open space/recreation redevelopment. Proposals were due on April 7, 2015, with FMERA receiving a proposal from one entity, MC. MC proposal, as submitted, was compliant with the RFOTP and proposed open space improvements, as well as facilities designed to assist the adjacent MC Recreation Center parcel. Three members of the FMERA staff independently evaluated and scored the proposal. The evaluation committee agreed that the MC proposal was compliant with the RFOTP, and recommended FMERA staff proceed to negotiations for a Purchase and Sale Agreement & Redevelopment Agreement (PSARA).

Subsequent to FMERA selecting Purchaser as the winning bidder, FMERA included this Project as part of the Tinton Falls omnibus Amendment #3, approved on November 12, 2015. The

amendment permits the removal of the fueling pumps, fueling canopy, and above ground storage tank on site; and the renovation and eventual replacement of Building 2567 with a new storage and maintenance facility to be used by Monmouth County. In addition, this amendment permits an expanded parking area that would serve the active recreation and passive open space uses on Parcel F-3 and the adjacent County operated parcel. Finally, this amendment also permits the creation of a wetlands park and boardwalk on the remainder of the parcel that is not currently improved.

MC through its Park System provides the County with 15,940 acres of Open Space, Parks and Recreation. As part of their recreation efforts, MC has operated the Fort Monmouth Recreation Center (which is adjacent to F-3) since August 2013. Through the Recreation Center, MC has provided over 500 programs, classes and events. MC intends to acquire the F-3 Parcel to provide additional open space to the community, as well as, facilities to provide additional support to the recreation area. Specifically, MC's proposal includes expanding the parking facilities for the Recreation Center, adding additional storage facilities to support events, create a dedicated maintenance facility to service the area, and restore wetlands on-site with an elevated boardwalk to allow for an outdoor classroom. The Project and associated renovations are scheduled to be completed within sixty (60) months of Project commencement. The Project would result in the creation of thirty-eight (38) full, part time or seasonal new jobs at Fort Monmouth within thirty-six (36) months of closing. MC intends to pay for the purchase and all necessary improvements with available and uncommitted appropriations from the Monmouth County budget.

The EDC Agreement calls for the Army to receive 63% of the net proceeds from the sale of Building 2567, with FMERA receiving the remainder. MC's offer price for the property was \$560,000. The Army has agreed to base the Property's Floor Price on this figure.

Purchase and Sale & Redevelopment Agreement

Pursuant to the terms of the PSARA, MC will pay \$560,000 for the property, reflecting its proposal. Initial closing will occur within thirty (30) days of satisfaction of the conditions precedent to closing, which include: MC completing due diligence and obtaining all approvals necessary to develop the Project; and consent from the NJEDA Board of MC as redeveloper. Subsequent closing shall occur when Seller conveys title to the environmental carve-out parcel (ECP 34), a former fueling station located on the Property via quitclaim deed for no additional consideration upon Army's receipt of a No Further Action letter or equivalent environmental clearance from the NJ Department of Environmental Protection. The parties will endeavor to satisfy these contingencies within six (6) months of execution of the PSARA. MC will have the option of extending this time period for an additional six (6) month period if it has not obtained approvals within the initial six month timeframe provided it is proceeding in good faith. FMERA will convey the property to MC in as-is condition, but with clear title and subject to the Army's on-going obligations under CERCLA to address any pre-existing contamination that may exist on the property.

MC will demolish the fuel pumps, fuel canopy and AST along with the convenience store over two phases. Purchaser will then construct a new maintenance building with storage and an employee support facility. In addition, MC will expand the parking lot for the neighboring

Recreation Center, install landscaping and lights. For the unimproved section of the parcel, MC will install a wetland boardwalk for passive recreation. MC will upgrade site improvements, re-establish utility service to the property, clean the building's exterior, and bring Building 2567 to full code compliance (as evidenced by receipt of a temporary certificate of occupancy). The Project will be undertaken in two phases with the first phase incurring a minimum investment of \$837,000 and the second phase incurring an additional \$1,106,000. The purchaser covenants to create a minimum of thirty-eight (38) additional full-time, part-time or seasonal jobs at the property within thirty-six (36) months of closing. Provided all approvals are in place, MC will commence the site improvement and renovation work within forty-five (45) days of closing and complete construction within sixty (60) months of closing. In the event that MC does not commence or complete construction within the timeframes specified above, FMERA may exercise a right to repurchase the Project from MC for the initial sale price of \$560,000 plus the cost of improvements made by MC.

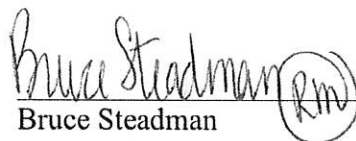
Based on the redevelopment provisions of the PSARA between FMERA and MC, staff concludes that the essential elements of a redevelopment agreement between FMERA and MC are sufficiently addressed and that it is not necessary for FMERA to enter into a separate redevelopment agreement with MC for its redevelopment of Building 2657.

Attached is a substantially final form of the PSARA between FMERA and MC. The final terms of the PSARA will be subject to the approval of FMERA's Executive Director and the Attorney General's Office.

The Real Estate Committee has reviewed the PSARA and recommends Board approval.

Recommendation

In summary, I am requesting that the Board authorize the execution of a Purchase and Sale & Redevelopment Agreement with Monmouth County for Parcel F-3 and Building 2657 in the Tinton Falls Reuse Area.


Bruce Steadman

Attachment: Purchase and Sale Agreement and Redevelopment Agreement
Prepared by: Kara A. Kopach

ATTACHMENT

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



ADOPTED
February 17, 2016

Resolution Regarding
**Conveyance of Teen Center and Swimming Pool to County of Monmouth and
Reassignment of Outstanding County Obligations**

WHEREAS, the Teen Center and Swimming Pool facilities include Buildings 2566 and 2569 and their associated parking areas on approximately 6.5 acres in Tinton Falls; and

WHEREAS, the County is seeking to acquire the property as a public recreational facility to be managed by the Monmouth County Parks Department; and

WHEREAS, at the December 2012 meeting of the Authority, the Board approved the Notice of Interest evaluation scoring of the Property and authorized staff to transfer ownership to the County at a discounted price of \$502,645; and

WHEREAS, also in December 2012 the Board authorized FMERA to enter into a Developer Agreement among the County of Monmouth, the Borough of Tinton Falls, CommVault and FMERA (Developer Agreement), which entailed improvements by the County that were expected to cost equal to or more than the discounted price for the Property; and

WHEREAS, the completed tasks as defined in the Developer Agreement ended up costing only \$280,816.82, and in August 2015 the Board approved conveying the Property to the County with an agreement that the County will satisfy the outstanding balance of the purchase price by completing other services in-kind and/or infrastructure improvements; and

WHEREAS, the Army retained ownership of a parcel measuring approximately 0.113 acres within the Property where an in-ground septic tank had been located, and this site is awaiting remediation of the septic tank; and

WHEREAS, upon receipt of a remediation report from the Army and resolution, the Army will transfer title to the environmental carve-out area to FMERA, which will then deed the carve-out to the County; and

WHEREAS, the revised Purchase and Sale Agreement enables FMERA and the County to conduct an initial closing for the bulk of the Property and a subsequent closing for the remaining 0.113 acres to the County once the Army has completed the remediation and conveyed the environmental carve-out parcel to FMERA; and

WHEREAS, the Real Estate Committee recommends that the Board approve the conveyance of the Teen Center and Swimming Pool in Tinton Falls to the County via the revised Purchase and Sale 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 Teen Center and Swimming Pool in Tinton Falls and the revised Purchase and Sale Agreement, on terms substantially consistent to those set forth in the attached memorandum and the attached Purchase and Sale Agreement 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. 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: February 17, 2016

EXHIBIT 3

MEMORANDUM

TO: Members of the Authority

FROM: Bruce Steadman
Executive Director

RE: Conveyance of the Teen Center and Swimming Pool in Tinton Falls to Monmouth County

DATE: February 17, 2016

Request

I am requesting Board approval of revisions to the Purchase and Sale Agreement for the conveyance of the Teen Center and Swimming Pool in Tinton Falls to Monmouth County. The Board previously approved this transaction in August 2015.

Background

As required by the Federal Base Closure Community Redevelopment and Homeless Assistance Act of 1994, as amended, and its implementing regulations, the Fort Monmouth Economic Revitalization Planning Authority (FMERPA) and its successor agency, the Fort Monmouth Economic Revitalization Authority (FMERA), sought notices of interest (NOIs) for surplus real property at the former Fort Monmouth as part of the state and local screening process. The Phase 1 Economic Development Conveyance (EDC) Agreement with the Army identifies the Monmouth County Teen Center and Swimming Pool (the "Property") as a No-Cost EDC transaction. FMERA is responsible for conveying this property to an end user, with no revenue-sharing with the Army.

Given the significant costs associated with the redevelopment of Fort Monmouth (e.g. utility and road repairs/replacements, demolition of obsolete buildings, maintenance/repair of existing buildings), FMERA staff recommended, and the Board supported, that no NOI properties be transferred to an end user without compensation to FMERA. Through an NOI Evaluation Process, FMERA staff scored each NOI and reviewed this scoring with representatives from the local municipalities and the County. Due to the significant off-site improvements required to support the redevelopment of the parcels in Tinton Falls, both the County of Monmouth and Tinton Falls agreed to provide in-kind services as compensation to FMERA.

In December 2012, the FMERA Board approved the conveyance of the Teen Center and Swimming Pool to the County of Monmouth by Quit Claim Deed, upon FMERA acquiring title to the property, for the discounted purchase price to be paid through services in-kind,



infrastructure improvements, and/or cash. The discounted purchase price is \$502,645.00. At that time, it was expected that the cost of the installation of road and traffic light improvements at the intersection of Hope and Corregidor Roads, including improvements to Corregidor Road would match or exceed this discounted purchase price. These improvements and prices were delineated in the Developer Agreement among CommVault, the Borough of Tinton Falls, FMERA and the County (Developer Agreement), also approved by the FMERA Board in December 2012.

The completed tasks as defined in the Developer Agreement ended up costing only \$280,816.82. Since the Development Agreement obligations were completed as agreed to, in August 2015 the Board approved conveying the Teen Center and Swimming Pool to the County with an agreement that the County will satisfy the outstanding balance of the purchase price by completing other services in-kind and/or infrastructure improvements. The County of Monmouth currently occupies the property under a lease with FMERA and is eager to acquire title to the property.

FMERA staff continues to propose that the following tasks would be most cost effectively completed by the County and are estimated to total approximately \$221,828, the remaining balance of the purchase price:

1. Rebuild Murphy Drive Culvert
2. Road improvements and repaving following installation of water and sewer infrastructure
3. Landscaping and upkeep of recreational and passive open space
4. Storm Sewer maintenance and repair
5. Excavation projects as required.

If the actual cost of these tasks turns out to be less than \$221,828, additional tasks will be performed by the County to satisfy the full balance of the discounted purchase price. If the actual cost is more than \$221,828, the overage will be applied as a credit against the purchase of another property by the County from FMERA.


When the Army conveyed the Charles Wood area to FMERA, it retained ownership of a small portion (0.113 acres in size) of the Property where an in-ground septic tank had been located. The Army continues to hold title to this portion of the Property while it awaits remediation of the septic tank. Upon receipt of remediation report from the Army and resolution, the Army will transfer title to the environmental carve-out area to FMERA, which will then deed the carve-out to the County. The revised Purchase and Sale Agreement enables FMERA and the County to conduct an initial closing for the bulk of the Property and a subsequent closing for the remaining 0.113 acres to the County once the Army has completed the remediation and conveyed the environmental carve-out parcel to FMERA.

A substantially final form of revised Purchase and Sale Agreement between the County and FMERA is attached. The final terms of the Agreement will be subject to the approval of FMERA's Executive Director and the Attorney General's Office.

The Real Estate Committee has reviewed the revised PSA and recommends Board approval.

Recommendation

In summary, FMERA staff requests the Board approval of the revised Purchase and Sale Agreement for the conveyance of the Teen Center and Swimming Pool in Tinton Falls to Monmouth County.


Bruce Steadman

Attachments: Purchase and Sale Agreement
Prepared by: Candice Valente & Kara Kopach

ATTACHMENT

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

ADOPTED
February 17, 2016

Resolution Regarding
Conveyance of Portion of Pine Brook Road to the Borough of Tinton Falls

WHEREAS, the Fort Monmouth Economic Revitalization Authority (FMERA) is working with the Borough of Tinton Falls to improve access to properties in the Charles Wood Area; and

WHEREAS, a 0.68 acre portion of Pine Brook Road in Tinton Falls (the Property), a municipal street, is currently included in the Fort Monmouth property transferred to FMERA from the U.S. Army in May 2014; and

WHEREAS, the Borough has agreed to accept the Property, as well as the adjacent right-of-way in order to facilitate the redevelopment of the adjacent parcels; and

WHEREAS, FMERA will convey the Property via a Deed of Right of Dedication (Deed), that has been reviewed and approved by the Borough; and

WHEREAS, upon the dedication of the Property the Borough will be responsible for maintenance and improvements to the road; and

WHEREAS, the Real Estate Committee recommends that the Board approve the conveyance of the Property to the Borough;

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached memorandum, the Authority approves the conveyance to the Borough of Tinton Falls of a portion of Pine Brook Road 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. 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: February 17, 2016

EXHIBIT 4

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Recommendation to Approve Conveyance of Portion of Pine Brook Road to the Borough of Tinton Falls

DATE: February 17, 2016

Request

I am requesting that the Members of the Real Estate Committee recommend that the Board of Members approve the conveyance of a portion of Pine Brook Road to the Borough of Tinton Falls.

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 Borough of Tinton Falls to improve access to properties in the Charles Wood Area. A portion of Pine Brook Road in Tinton Falls, a municipal street, is currently included in the Fort Monmouth property transferred to FMERA from the U.S. Army in May 2014. The Borough has agreed to accept this portion of the road, as well as the adjacent right-of-way in order to facilitate the redevelopment of the adjacent parcels.

FMERA will convey the property via a Deed of Right of Dedication (Deed), which is attached, that has been reviewed and approved by the Borough. Upon the dedication of the portion of the road, which measures approximately 0.68 acres, the Borough will be responsible for maintenance and improvements to the road.

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 Real Estate Committee reviewed the Deed and recommends Board approval of the conveyance of the property.

Recommendation

In summary, I am requesting that the Board approve the conveyance of a portion of Pine Brook Road to the Borough of Tinton Falls.


Bruce Steadman

Attachments: Deed of Right of Dedication

Parcel Map

Prepared by: Candice Valente

ATTACHMENT

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



ADOPTED
February 17, 2016

Resolution Regarding

Consideration of Authorization for FMERA Staff to Enter into Exclusive Negotiations for a Purchase Agreement Pursuant to the Request for Offers to Purchase (RFOTP) for Parcel B

WHEREAS, on February 10, 2015, FMERA issued and publicly advertised a Request for Offers to Purchase (RFOTP) with a response date of July 10, 2015, in connection with the planned redevelopment of Parcel B in Eatontown; and

WHEREAS, Parcel B is a 77-acre parcel located in the Eatontown Reuse Area, containing 13 obsolete buildings slated for demolition in the Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan), which could accommodate approximately 250,000 square feet of retail and other commercial uses, along with 302 housing units; and

WHEREAS, the RFOTP also included an option to bid on an additional 12 acres in the Eatontown Reuse Area, which includes Buildings 1206 and 1207, slated for reuse in the Reuse Plan; and

WHEREAS, FMERA received five proposals for Parcel B, which were scored independently by an evaluation committee; and

WHEREAS, Fort Monmouth Parcel B Redevelopment, LLC, received the highest score and submitted the highest price proposal, and the proposal included a viable and fair proposal for the optional 12-acre property; and

WHEREAS, the RFOTP noted that offers proposing to develop additional commercial/retail space on Parcel B would be considered and the leading bidder proposed approximately 350,000 square feet of retail, and an additional approximately 40,000 square feet of office space, in conjunction with the 302 residential units; and

WHEREAS, as provided in the Rules for the Sale of Real and Personal Property, FMERA staff has determined during the evaluation process that there is a high likelihood that negotiating with Fort Monmouth Parcel B Redevelopment, LLC, will lead to an acceptable sales contract between the parties, and, if exclusive negotiations are approved, Fort Monmouth Parcel B Redevelopment, LLC, will make an additional deposit of 10% of the proposed purchase price that will be credited to Fort Monmouth Parcel B Redevelopment, LLC, at closing; and

WHEREAS, the FMERA Real Estate Committee recommends that the Board of Directors authorize the FMERA staff to enter into exclusive negotiations with Fort Monmouth Parcel B Redevelopment, LLC for a purchase agreement pursuant to the RFOTP for Parcels B.

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached memorandum, the Authority authorizes the FMERA Staff to enter into exclusive negotiations with Fort Monmouth Parcel B Redevelopment, LLC, for a purchase agreement pursuant to the RFOTPs for Parcel B. 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 exclusive negotiations.

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: February 17, 2016

EXHIBIT 5

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Recommendation to Authorize FMERA Staff to Enter into Exclusive Negotiations for a Purchase Agreement Pursuant to the Request for Offers to Purchase (RFOTP) for Parcel B with Fort Monmouth Parcel B Redevelopment LLC

DATE: February 17, 2016

Request

I am requesting that the Board of Members authorize FMERA staff to enter into exclusive negotiations for a purchase agreement pursuant to the Request for Offers to Purchase (RFOTP) for Parcel B in Eatontown, in accordance with the Authority's Rules for the Sale of Real and Personal Property (Sales Rules).

Background

FMERA previously issued a Request for Offers to Purchase (RFOTP) in connection with the planned redevelopment of Parcels B in Eatontown on March 26, 2013. At the time, Parcel B was a 55.327 acre tract fronting on Route 35 in the Eatontown Reuse Area of the Main Post. The Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan) calls for the 480,000± sf of existing buildings to be demolished and replaced with up to 150,000 sf of retail and commercial uses and 302 housing units, 20% of which must be affordable to low- and moderate-income households. This initial Parcel B is a Phase One property in FMERA's June 25, 2012 Economic Development Conveyance Agreement (EDC Agreement) with the Army. Title to the 55.327 acre tract was transferred to FMERA in June 2014.

Proposals were received from four entities in June 2013, with one of the proposers offering multiple scenarios for development, as permitted by the RFOTP. An Evaluation Committee consisting of three FMERA staff members and one Army representative independently scored the proposals, and then met as a team to rank the responses in accordance with the Authority's Sales Rules. Subsequently, the proposer that was ranked highest by the Evaluation Committee was disqualified for non-compliance with New Jersey's political contributions law, P.L. 2005, c. 51. Following the disqualification of the top scoring proposer, staff met with the second-ranked party to discuss its proposal, including how it addressed the Borough's preference for owner-occupied housing and the project's proposed retail/commercial component. After the meeting



and a subsequent discussion with the proposer, staff believed the second-ranked proposal fell short of the high standards the Reuse Plan allows. A review of the other proposals submitted for Parcel B met with a similar staff opinion, as none of the responses received proposed a lifestyle town center format that blends residential use with retail use in a pedestrian friendly manner. Although these proposals generally complied with the technical requirements of the Reuse Plan, staff believed they fell short of FMERA's high expectations for this property. The Reuse Plan allows this extremely important parcel to be developed as a high quality Lifestyle Center and Eatontown Gateway. The Reuse Plan describes a "vibrant pedestrian environment" and "exciting gateway," with connectivity and interaction between the parcel's retail and residential components. At its January 2014 meeting, the Real Estate Committee concurred with this assessment and with staff's commitment to fulfilling these qualitative objectives, because the spirit and intent of the Reuse Plan sets the bar very high for this important Eatontown project.

In February 2014, the Board authorized staff to terminate the original RFOTP and issue a new RFOTP for Parcel B in order to meet the Reuse Plan's goal of creating a lifestyle town center that blends residential use with retail use in a pedestrian friendly manner, resulting in an exciting and attractive gateway to the Fort. Staff indicated that the new RFOTP will place greater emphasis on those qualities we think necessary to achieve the type of "vibrant pedestrian environment" and "exciting gateway" into the Fort that was envisioned in the Reuse Plan. For example, staff recommended that proposals which provide the following be given a greater weight than those that do not:

- A pedestrian-oriented, "Main Street" retail spine that services in-line retail frontage, and is visually defined through a combination of architecture, paving materials, plazas, open space, fountains, public art, landscaping, creative use of water retention/detention basins, and other design features. Large-format retail should be reserved for a few key "anchor" locations.
- A pedestrian network which connects all of the retail uses to one another and to the nearby municipal and residential uses. Such pathways should include pedestrian amenities such as benches and picnic tables.
- Retail development characterized by a uniform architecture and design theme which incorporates complementary landscaping and streetscape improvements.
- Screening of parking from Route 35 by placing the retail buildings between Route 35 and the parking areas and/or a generous landscaped buffer through lawn areas, street trees, berms or other methods along the Route 35 frontage.
- Buildings oriented toward the Avenue of Memories in order to enhance the gateway into the Fort.
- Retail buildings which include residential dwelling units above.
- Other creative amenities or layout concepts that would make this a destination that will attract visitors to Eatontown.

Additionally, the new RFOTP provided greater emphasis and weighting of proposals that reflect the preference of FMERA and the Borough of Eatontown for owner-occupied housing. Proposals received from both RFOTPs for Parcel B will continue to be treated as confidential until FMERA has completed negotiations for the sale and redevelopment of Parcel B.

Subsequently, in March 2014, FMERA staff reached preliminary agreement with the Army over the terms of FMERA's purchase of the balance of the Main Post, through a Phase 2 EDC agreement. FMERA's acquisition of the Main Post, anticipated to occur in the 2nd Quarter of 2016, presented the opportunity to reconfigure the boundaries of Parcel B to respond to changing market conditions and maximize the value of the property. Accordingly, staff recommended that Building 1208, 1209 and 1210, a series of obsolete structures, along with several smaller structures – Buildings 1212, 1213, 1214 and 1220 – be included within an expanded Parcel B. Staff also proposed that Mallette Hall (Building 1207), Pruden Hall, its connected indoor theater (Building 1206) and the abutting outdoor amphitheater be added to the RFOTP as an optional property, either for renovation or demolition. Mallette Hall is a 57,386 sf circa 1953 office building that served as CECOM headquarters. The Reuse Plan contemplated that Mallette would serve as Eatontown's future municipal center; the Borough, however, has indicated that it does not intend to pursue that use. Consequently, the building is available for an alternate use. Staff believed that this expanded Parcel B site could accommodate 250,000± sf of retail and other commercial uses, along with the 302 units of housing called for in the initial RFOTP.

In January 2015, the FMERA Board authorized staff to add 22 acres to Parcel B, which increased the potential buildout of retail and/or commercial development on the parcel, while keeping the number of housing units at 302. Additionally, the new RFOTP added another 12 acres including Mallette Hall as an optional component, for a total expansion of up to ±34 acres. As authorized by the Board on February 10, 2015, FMERA issued the RFOTP for the expanded Parcel B. The RFOTPs were advertised in the Asbury Park Press and the Star Ledger, and posted to the FMERA, New Jersey Economic Development Authority (NJEDA) and New Jersey State Business Portal websites. Proposals were due on July 10, 2015 and proposals were received from five entities, with two of the proposers offering multiple scenarios for development, as permitted by the RFOTP. Proposals were received from: (i) ARCH (Eagle Realty and HovWest); (ii) Bassar Kaufman and American Properties; (iii) Lennar and U.S. Home Corporation; (iv) National Realty; and (v) Fort Monmouth Parcel B Redevelopment LLC.

An Evaluation Committee consisting of four FMERA staff members and one Army representative independently scored the proposals, and then met as a team to rank the responses in accordance with the Authority's Sales Rules. The Evaluation Committee scored all proposals together, as all proposals would require an amendment to the Reuse Plan. The Promenade at Fort Monmouth, a proposal submitted by Fort Monmouth Parcel B Redevelopment, LLC, a newly-formed single purpose limited liability company, received the highest score and submitted the highest price proposal. The owners of this entity, Paramount at Fort Monmouth, LP, are the owners of Paramount Realty Services, Inc., and LMS Commercial Real Estate. The purchaser will subcontract the management and construction of the residential components of the project to NVR, Inc./Ryan Homes, a publicly traded company. The proposal submitted by Fort Monmouth Parcel B Redevelopment, LLC also included a viable and fair proposal for the optional 12-acre property.

As part of their analysis, the Evaluation Committee reviewed the Promenade at Fort Monmouth proposal for compliance with the Reuse Plan. The proposal touched on all of the qualities described and desired by the Real Estate Committee as summarized in the RFOTP. The RFOTP noted that offers proposing to develop additional commercial/retail space on Parcel B would be considered. The Promenade at Fort Monmouth proposed approximately 350,000 square feet of

retail, and an additional approximately 40,000 square feet of office space, in conjunction with the 302 residential units. FMERA already planned to undertake an amendment to the Reuse Plan incorporating the expanded uses and revised boundaries of Parcel B, and noted this in the RFOTP. Approval of a Reuse Plan amendment will be the sole discretion of the FMERA Board.

Background on Paramount

Founded in 1994, Paramount is a real estate development organization, with 60 employees in New Jersey and Pennsylvania. They own, manage and lease approximately 10,000,000 square feet across the country, including 23 successful communities in New Jersey. In 2015, Paramount had net earnings of \$90 million on gross revenues of \$130 million. Cash on hand at year-end totaled \$50 million. The company will subcontract with NVR/Ryan Homes to complete the residential portion of the Project.

Project description as included in Proposal

Promenade's proposal calls for a total of 302 residential units, 20% of which will be affordable to low- and moderate-income households. In addition, the Project is proposed to include approximately 350,000 square feet of retail, and an additional 40,000± square feet of office space. Promenade's conceptual site plans for Parcel B emphasizes connectivity through the site to the adjacent road network, while promoting pedestrian activity within the development to link the residential section with retail and commercial uses. This includes proposed trails, well-lit paths and walkways with benches, fountains, pavers, statues, and sculpture gardens to create a green network throughout the community. Parcel B also proposes an open space community area for planned community events.

After holding meetings with Paramount representatives, FMERA staff is recommending that FMERA enter into exclusive negotiations with Paramount. As provided in the Sales Rules, FMERA staff has determined during the evaluation process and subsequent discussions with the proposer that there is a high likelihood that negotiating with Paramount will lead to an acceptable sales contract and redevelopment agreement between the parties.

If this request is granted by the FMERA Board, Paramount will make an additional deposit of 10% of the proposed purchase price that will be credited to Paramount at closing. The negotiations will be exclusive in that FMERA will agree in writing not to consider any other proposals and cease negotiations with any other parties for the purchase of the property and instead negotiate with Paramount in good and reasonable faith for the purchase and sale of Parcel B. Paramount will agree in writing to terminate negotiations and discussions for the purchase of other competing property during the exclusive negotiating period. Both parties will agree to keep all negotiations confidential to the extent permissible under New Jersey law.

In addition to successfully completing negotiations, FMERA's execution of a contract to sell Parcel B to Paramount will be contingent upon final approval of the terms and conditions of sale by the FMERA Board at a future date, in the Board's sole and absolute discretion. FMERA's sale of the Phase 2 property within the expanded Parcel B to Paramount will be contingent on FMERA's acquisition of the property through a Phase 2 EDC Agreement with the Army.

The Real Estate Committee has reviewed the request and recommends Board authorization for FMERA staff to enter into exclusive negotiations with Fort Monmouth Parcel B Redevelopment, LLC.

Recommendation

In summary, I am requesting the Board authorize FMERA staff to enter into exclusive negotiations with Fort Monmouth Parcel B Redevelopment, LLC for a Purchase and Sale & Redevelopment Agreement pursuant to the Request for Offers to Purchase for Parcel B in Eatontown.


Bruce Steadman

Attachments: Parcel Map
Prepared by: Candice Valente & Kara Kopach

