

Fort Monmouth Economic Revitalization Authority
Board Meeting
November 10, 2011
Eatontown Municipal Building, Eatontown, New Jersey

MINUTES OF THE MEETING

I.

Members of the Authority present:

- James V. Gorman, Chairman, Fort Monmouth Economic Revitalization Authority (FMERA) - **V**
- Alfred Koeppe, Chairman of the New Jersey Economic Development Authority (NJEDA) - **V**
- Brandon Minde, Assistant Counsel, Office of the Governor, Authorities Unit -**V**
- Dr. Robert Lucky, Public Member - **V**
- Lillian Burry, Monmouth County Freeholder - **V**
- Gerald Tarantolo, Mayor of Eatontown -**V**
- Michael Skudera, Mayor of Tinton Falls -**V**
- Kimberly Jungfer, Borough Administrator, Oceanport - **V**
- Colleen Kokas Manager of Redevelopment & Business Assistance, NJ Department of Environmental Protection (DEP)
- Charles Richman, Assistant Commissioner, NJ Department of Community Affairs (DCA)
- Jonathan Lowy, Director of Community and Constituent Relations, NJ Department of Transportation (DOT)
- Mary Ellen Clark, Assistant Commissioner, NJ Department of Labor and Workforce Development (LWD)

V- Denotes Voting Member

Also present:

- Bruce Steadman, Executive Director, FMERA
- Gabriel Chacon, Deputy Attorney General (DAG)
- NJ Economic Development Authority Staff: Eatontown and Trenton offices

II.

The meeting was called to order by Chairman Gorman at 7:02 p.m. who led the meeting in the Pledge of Allegiance.

In accordance with the Open Public Meetings Act, FMERA Executive Director and Secretary, Bruce Steadman announced that notice of this meeting has been 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 October 19, 2011 meeting minutes. A motion was made to approve the minutes by Lillian Burry, seconded by Mayor Tarantolo.

Motion to Approve: LILLIAN BURRY Second: MAYOR TARANTOLO
AYes: 7

Kimberly Jungfer abstained from the vote stating she was not present at the October board meeting.

The next item of business was the approval of the September 21, 2011 and October 19, 2011 executive session minutes. A motion was made to approve the minutes by Mayor Tarantolo, seconded by Alfred Koeppe.

Motion to Approve: MAYOR TARANTOLO Second: ALFRED KOEPPE
AYes: 7

Kimberly Jungfer abstained from the vote stating she was not present at the September and October board meetings.

III.

WELCOME

Chairman Gorman thanked everyone for attending the meeting and for accommodating the Board's needs in rescheduling the meeting. Chairman Gorman announced that Michael Pane, Esq., a public member of the Board, had resigned for personal reasons. Mr. Gorman thanked Mr. Pane for his service to the Board, and to the public, and wished him well in his future endeavors.

Chairman Gorman then explained how public comment would proceed at the meeting, with the first public comment period being for agenda items only and the second public comment period being for general comments and questions. Chairman Gorman further stated that he would like to call to the public's attention that in between the two public comment periods, each Committee Chair reports its actions since the last Board meeting to the members of the Board and also the members of the public. In this fashion, with the two public comment periods and the Committee reports sandwiched in between, transparency to the public by this Authority is well maintained.

IV.

PUBLIC COMMENT REGARDING AGENDA ITEMS

Tom Mahedy of Wall Township commented on the resignation of Michael Pane, Esq. Mr. Mahedy stated his concern that Mr. Pane having a conflict of interest and being Chairman of the Real Estate Committee contaminated the process of sales and leases at Fort Monmouth. Mr. Mahedy further stated that there is a lack of transparency at closed meetings with FMERA. Mr. Mahedy objected to Chairman Gorman being the Interim Chairman of the Real Estate Committee and the Chairman of the Audit Committee. Mr. Mahedy stated that there is no public information on the Board Actions provided in advance of the meetings. Mr. Mahedy complained about deer being caught inside the Howard Commons fence, and asked that the Army let them out.

V.

TREASURER'S REPORT

Beverlee Akerblom, Director of Finance and Administration for FMERA, noted that the Authority's Grant Amendment requests for additional funds are being prepared for submission to the Office of Economic Adjustment. She further stated that the Authority is preparing several requests for proposals at this time and securing the federal funding prior to the award of the contracts is required.

Ms. Akerblom stated that the FMERA management team continues the 2012 FMERA budget process, with development of the Economic Development Conveyance (EDC) budget which will take into account the sales and lease activity expected to occur in 2012. She further stated that the Matrix pro forma is serving as a basis for development of the EDC component of the budget. The EDC component will include projections of revenue to be generated from the operation, lease and/or sale of Fort property, and the related qualifying expenses in the 12 allowable economic development conveyance expense categories.

Ms. Akerblom stated that the draft 2012 FMERA budget will be forwarded to the Audit Committee for its review at its November 2011 meeting. The FMERA 2012 Budget is scheduled to be brought before the Board for its consideration and approval at the December 21st Board Meeting.

VI.

SECRETARY'S REPORT

Bruce Steadman announced the promotions of Beverlee Akerblom to Director of Finance and Administration and Rick Harrison to Director of Facilities Planning. Mr. Steadman thanked Ms. Akerblom and Mr. Harrison for accepting the positions and looks forward to their great help and input as FMERA moves forward.

Mr. Steadman stated that the process has begun for the replacement of Vice Chairman Michael Pane and explained that Mr. Pane's position on the Board is that of a Public Member. A new public member will be nominated by the Governor and will go before the State Senate for approval. Mr. Steadman stated that the Board will keep the public updated as they move forward.

VII.

EXECUTIVE DIRECTOR'S REPORT

Mr. Steadman stated that there has been significant progress with the Army regarding the Memorandum of Agreement (MOA) and Economic Development Conveyance (EDC) application. Mr. Steadman proposed that the Board hold a special public meeting in December for public discussion on the MOA and EDC and at the scheduled December 21, 2011 board meeting the FMERA staff request the Board's approval of the MOA and EDC.

Mr. Steadman stated that the Veterans Staff Advisory Committee and FMERA staff had the pleasure of meeting with Jack Downing from Soldier On. Soldier On is a non-profit organization that works in partnership with the U.S. Department of Veterans Affairs and the U.S. Department of Housing and Urban Development to provide housing to homeless Veterans.

Lillian Burry, Chairwoman of the Veterans Staff Advisory Committee, explained the on-site services that Soldier On provides to the Veterans and continued by stating she hopes to bring Soldier On, or a program like it, to the Fort Monmouth property for homeless Veterans. The Soldier On video was viewed. Mr. Steadman indicated that any such program would be subject to the competitive process set forth in the lease and sales rules.

The Executive Director's Report concluded with Mr. Steadman providing an overview of FMERA action items for next month.

COMMITTEE REPORTS

- a) AUDIT COMMITTEE (JAMES V. GORMAN, CHAIRMAN, FMERA):
Beverlee Akerblom, Treasurer, stated that the Audit Committee will meet in November to review the FMERA 2012 budget.
- b) REAL ESTATE COMMITTEE (JAMES V. GORMAN, INTERIM CHAIRMAN, FMERA):
Chairman Gorman noted that the Real Estate Committee met on November 4, 2011 at the FMERA Office. Chairman Gorman stated that he acted as Committee Chairman due to Mr. Pane's resignation. Mr. Gorman stated that the Committee viewed the Soldier On video. He continued by stating that the Committee agreed that a formal business plan submission from those parties expressing a serious interest in specific parcels on the Fort will become a requirement and the FMERA staff and/or outside counsel will conduct financial and capability reviews on applicants prior to any future award of the property. Mr. Gorman further stated that the Committee reviewed the FMERA proposal to the U.S. General Services Administration (GSA) for lease of building 2525 and the related financials. He stated that the Committee approved the term sheet and recommended that the Board approve. Mr. Gorman noted that proposed Housing development guidelines, recommended by the Housing Committee, had been discussed and taken into consideration.
- c) ENVIRONMENTAL STAFF ADVISORY COMMITTEE (COLLEEN KOKAS - NJDEP):
Colleen Kokas noted that the Environmental Staff Advisory Committee did not meet this month. Ms. Kokas noted that the Baseline Ecological Evaluation (BEE) is still under review and NJDEP will meet with the Army to address all environmental issues on the Fort property. Ms. Kokas concluded by stating that there is a Coordination Meeting between Army and DEP scheduled for later in November.
- d) HISTORICAL PRESERVATION STAFF ADVISORY COMMITTEE (BRUCE STEADMAN, FMERA) Bruce Steadman noted that the Committee did not meet this month.
- e) HOUSING STAFF ADVISORY COMMITTEE (CHARLES RICHMAN, DCA): Mr. Richman noted that the Committee met on October 26, 2011 at the FMERA office. Mr. Richman stated that the Committee unanimously approved housing guidelines, which recommend how housing might be developed on Fort property, be presented to the Real Estate Committee for approval. Mr. Richman further stated that the Committee viewed the Soldier On video and the Committee would like to conduct a joint meeting with the Veterans Staff Advisory Committee to address their participation with the project.
- f) VETERANS STAFF ADVISORY COMMITTEE (FREEHOLDER LILLIAN BURRY): Ms. Burry noted that the Committee met on October 24, 2011 for the Solider On presentation by founder Jack Downing.

Chairman Gorman called for a motion to approve the activities highlighted in the Committee Reports. A motion was made to approve the Committee Reports by Mayor Tarantolo and was seconded by Dr. Robert Lucky and unanimously approved by all voting members.

IX.

Board Actions

The next item before the Board was the Consideration of Approval of Proposed Revisions to the Lease Rules for Real and Personal Property.

Bruce Steadman stated that at the May 18, 2011 board meeting, the FMERA Board reviewed and approved proposed rules for leasing of real and personal property. Mr. Steadman explained that the approved rules have been amended to allow FMERA to make lease proposals to other public agencies outside of the public request for proposal (RFP) process, and in addition, other changes were made to the rules to make the leasing process clearer. The proposed new rules have been reviewed and recommended to the Board for approval by the Authority's Real Estate Committee.

Alfred Koeppe commented that the definition of public agency should include public schools and educational institutions, given the focus of higher education.

Mayor Tarantolo stated that the definition of Director should be changed to Executive Director to reflect Mr. Steadman's correct title. Gabriel Chacon clarified that the original FMERA Act states Director and shall remain as Director in the rules.

Mayor Tarantolo asked for clarification on monies to be received for property being deposited in an interest bearing account. Mr. Gorman explained that the bank will be FDIC approved and the rules should be specific in stating such.

Mayor Tarantolo asked if the rules could clarify the lease process for a public agency to lease Fort property. Gabriel Chacon stated that the public agency could present a proposal and FMERA has the ability to approve the proposal if it is in the best interest of the Authority, but that the decision is at FMERA's discretion. Bruce Steadman stated that the U.S. General Services Administration has a separate Request for Proposals (RFP) process and the new rules reflect an alternative process to allow FMERA to submit a proposal in accordance with the RFP requirements of a public agency.

Chairman Gorman called for a motion to approve the Consideration of Approval of Proposed Revisions to the Lease Rules for Real and Personal Property. A motion was made to approve by Dr. Lucky and was seconded by Mayor Tarantolo.

Motion to Approve: DR. ROBERT LUCKY Second: MAYOR TARANTOLO
AYes: 8

The next item before the Board was the consideration of approval of Term Sheet and Submission of Initial Lease Proposal to U.S. General Services Administration (GSA) for Lease of Building 2525 to a Federal Agency.

Bruce Steadman stated that FMERA would like to submit an initial lease proposal to the GSA, an agency that oversees the management of federal properties, to solicit a federal agency to lease building 2525 in the Charles Wood area and relocate some of their operations to the Fort Monmouth property. The lease of building 2525 will bring approximately 200 federal jobs to the Fort property, and the potential of many more in the future.

Mr. Steadman stated that the Army as the owner of the building is supportive of the proposal due to the 10 year sellable lease and that the building can be sold at fair market value which would be profitable to both FMERA and the Army. Mr. Steadman noted that the reason the Army will allow such a lease is that the building eventually will be sold to a third party at market value. The value of the lease will attract a good buyer.

Mr. Gorman asked if FMERA is in a competitive stance for the building. Mr. Steadman answered yes.

Mayor Tarantolo asked when the ratable status takes effect. Mr. Steadman answered when the building is sold to a private entity.

Chairman Gorman called for a motion to approve consideration of approval of Term Sheet and Submission of Initial Lease Proposal to U.S. General Services Administration (GSA) for Lease of Building 2525 to a Federal Agency. A motion was made to approve by Mayor Skudera and was seconded by Mayor Tarantolo and unanimously approved by all voting members.

Motion to Approve: MAYOR SKUDERA Second: MAYOR TARANTOLO
AYes: 8

X.

Other Items

There were no other items for discussion.

XI.

Public Comment

Bob English of Eatontown stated that the Soldier On video was very impressive and asked for the number of Veterans included in the housing. Lillian Burry answered that there are approximately 175 Veterans.

Mr. English asked for a status of Howard Commons. Bruce Steadman explained that Howard Commons is included in the Memorandum of Agreement (MOA) which will be discussed at the December Special Board Meeting. He explained that FMERA's goal is to have Howard Commons included in an RFP process in the near future. Mr. Steadman stated that the Army has declined to demolish Howard Commons and the Army has inspected the area for safety issues and has performed a cleanup process. It is our hope that we can sell the property and the new owner will demolish the buildings beginning Winter 2012.

B. Priestly of Eatontown stated that the Fort property has been closed to the public for the past 20-30 years and that there should be photos advertised for public viewing. Bruce Steadman explained that there is a plan in place to develop marketing material and will be included in the master broker RFP.

John Weber of Link News asked for clarification on the other competitive bids for Building 2525. Mr. Steadman explained that GSA has put out a bid solicitation and FMERA is responding to it. Therefore, he cannot speak to the other bids as it is a competitive solicitation, and we do not have information about other proposers.

Gregory Coleman of Ocean Township commented that there are a lot of former Fort Monmouth employees with valuable experience who could partner with GSA for the rebuilding and construction of building 2525. He requested that the potential tenant be made public so that former Fort employees could find out if there are any job opportunities.

Anthony Perriera of Manchester asked for the timeframe with regards to a response from FMERA to a company which has filed a Letter of Interest (LOI). Bruce Steadman asked Mr. Perriera to speak to him after the meeting so that a meeting can be scheduled with FMERA to discuss the LOI.

Paul Gaffney of West Long Branch expressed his concern about limiting the lease rules to colleges that are public as there are independent universities with a public mission who are in the 501(c)3s. He further stated that counsel should consider including the independent universities in the lease rules as these institutions may have a better ability to lease Fort property.

Art Robidoux of Barnegat asked if the Suneagles Golf Course RFP, including the evaluation and score sheets, are a matter of public record. DAG Gabriel Chacon stated that FMERA staff should be able to provide documents related to the Golf Course RFP, as the RFP selection has been made. Mr. Steadman provided Mr. Robidoux with his contact information.

Tom Mahedy stated that he was not given clarification on the gag order imposed on committee members. Mr. Gorman explained that committee members were asked for confidentiality at the Environmental Staff Advisory Committee Meeting regarding potential job-creating projects, not environmental information. Mr. Mahedy stated that the housing at the Fort should be used for Veteran housing. Mr. Mahedy stated that Building 2525 should be leased to a public company versus private. Mr. Mahedy expressed his concerns regarding the RFP process, Wampum Lake, solar projects, and the Environmental Impact Statement.

Jeanette of Freehold Township asked for the makeup of the Real Estate Committee. Mr. Gorman stated that they are included in the FMERA by laws. Jeanette stated that the public is concerned with the environmental issues and the cleanups effect on taxpayers.

Beth Sidlow of Eatontown stated that the Suneagles Golf Course has been well maintained.

There being no further business, on a motion by Mayor Tarantolo seconded by Dr. Lucky and unanimously approved by all voting members the meeting was adjourned at 8:25 pm.

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