



TO: Members of the Board of Directors

FROM: Bruce Steadman
Secretary & Executive Director

DATE: April 24, 2012

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:**
 - Summary of Status of Federal Grant and FMERA Financials
8. **Public Comment Regarding Agenda Items**
9. **Executive Director’s Report:**
 - Update on Meetings with Army Representatives
 - Update on Proposed Plan Amendment Process
 - Update on FMERA Office Move to Fort Monmouth
 - Update on Master Broker/Real Estate Consultant Request for Proposals
 - Update on Land Use Regulations
 - Update on Action Items
10. **Committee Reports**
 - Audit Committee – Michael Mahon, Acting Chairman
 - Real Estate Committee – James V. Gorman, Acting Chairman
 - Environmental Staff Advisory Committee – David Sweeney, NJDEP
 - Historical Preservation Staff Advisory Committee – Bruce Steadman, Acting Chairman

- Housing Staff Advisory Committee – Charles Richman, Chairman
- Veterans Staff Advisory Committee – Lillian Burry, Chairwoman

11. **Board Actions**

1. Consideration of Approval of Revised Memorandum of Agreement (MOA) with the U.S. Army
2. Consideration of Approval of a Purchase-Sale Agreement with CommVault for Parcel E

Board Action will NOT be taken on the following:

3. Consideration of Approval of a Lease Agreement, with Obligation to Purchase, with AcuteCare for the Clinic Parcel

12. **Other Items**

13. **Public Comment**

14. **Adjournment**

Fort Monmouth Economic Revitalization Authority
Board Meeting
March 21, 2012
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
- Tim Lizura, Senior Vice President, New Jersey Economic Development Authority (NJEDA) - V
- Brandon Minde, Assistant Counsel, Authorities Unit, Office of the Governor - V
- Dr. Robert Lucky, Public Member - V
- Lillian Burry, Monmouth County Freeholder – V
- Gerald Tarantolo, Mayor of Eatontown - V
- Gerry Turning, Business Administrator, Tinton Falls - V
- Michael Mahon, Mayor of Oceanport - V
- David Sweeney, Assistant Commissioner, 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
- Ed Pillsbury, Deputy Attorney General (DAG)
- NJ Economic Development Authority Staff: Eatontown Offices

II.

The meeting was called to order by Chairman Gorman at 7:02 pm 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 February 15, 2012 meeting minutes. A motion was made to approve the minutes by Michael Mahon seconded by Lillian Burry.

Motion to Approve: MAYOR MAHON Second: LILLIAN BURRY
AYes: 6

Mayor Tarantolo abstained from the vote stating he was not present at the February meeting. Tim Lizura abstained from the vote stating he was not present at the February meeting.

Mayor Tarantolo commented on the Environmental Staff Advisory Committee Report in the February Meeting Minutes. Mayor Tarantolo asked about a study on Wampum Lake from the 1980s that was referenced in the Report. Mayor Tarantolo stated that there was a study completed in 1992 and he was unaware of a study being completed in the 1980s. Mr. Steadman stated he would confirm the date of the study and respond to Mayor Tarantolo.

III. WELCOME

Chairman Gorman welcomed everyone and thanked them for attending the meeting. Mr. Gorman stated that there are two Board items for consideration and action which are in addition to the regular meeting activities. Mr. Gorman stated that the Board would consider granting consent to the Tinton Falls designation of its area within the Fort property as an area in need of redevelopment. Mr. Gorman stated that the approval of the action by the Board will allow Tinton Falls to offer certain tax incentives to the winning bidder of Parcel E in Tinton Falls, CommVault Systems, Inc., as well as other prospective property purchasers in the future.

Mr. Gorman stated that the Board would also consider an increased fee to permit the completion of the required infrastructure mapping project, a required activity necessary for Fort Monmouth property redevelopment.

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. Mr. Gorman asked for the public's cooperation in keeping their comments within a reasonable timeframe. Mr. Gorman stated the Board would be entering into Executive Session after the Board Meeting. Mr. Gorman further stated that as the Chairman he is authorized to curtail any commenter whose questions or comments exceed a reasonable amount of time or comments that disrupt the meeting.

IV. SECRETARY'S REPORT

Mr. Steadman introduced Deputy Attorney General (DAG) Ed Pillsbury who was in attendance at the meeting due to DAG Gabriel Chacon's absence.

Mr. Steadman also introduced Assistant Commissioner David Sweeney of the NJ Department of Environmental Protection.

Mr. Steadman stated that the sixty day public comment period for FMERA's lease rules has expired and no public comments were received, therefore the lease rules will be adopted.

Mr. Steadman concluded by stating that the remainder of the Secretary's report would be provided under the Board Actions.

V. TREASURER'S REPORT

Beverlee Akerblom, Director of Finance and Administration, stated that the Authority submitted a grant amendment request to the Office of Economic Adjustment (OEA) for the existing grant which is scheduled to close March 31, 2012. The extension of this grant through June 30, 2012 will provide funding of administrative and contractual expenses including the surveying services contract.

Ms. Akerblom stated that field work on the audit of the Authority's 2011 operations is ongoing and the auditors plan on completing the field work this week. Ms. Akerblom stated that spending continues to be strictly monitored.

VI. PUBLIC COMMENT REGARDING AGENDA ITEMS

Ken Brody of Wayne asked about the Tinton Falls *area in need of redevelopment* and to what degree the redevelopment consists of. Bruce Steadman stated that the Board Action on the Agenda consists of the approval of the Tinton Falls redevelopment study which is the first step in a two-step process under the NJ Local Redevelopment and Housing Law. Mr. Steadman stated that no further action is approved in the study. Mr. Brody asked if the utilities and the infrastructure systems of each borough will be tied in to one town or will be separated. Mr. Steadman stated that at the present time the current infrastructure will be utilized. Mr. Steadman stated that there will be infrastructure studies as development moves forward.

Dorothy Artrose of Neptune and Neighbors United stated that Neighbors United was a group fighting the horrible and harsh treatment of eminent domain in Neptune. Ms. Artrose wanted to state that according to redevelopment law, any property within an area in need of redevelopment can be taken by eminent domain from the rightful owner and transferred to a private individual. Ms. Artrose stated that areas in redevelopment bring in eminent domain which is the sale of a property at a cheap price forced by the Government.

Anthony Talerico of Eatontown stated that during the Environmental Staff Advisory Committee Report, a brief discussion should be made with regard to Wampum Lake and the concerns of Eatontown. Mr. Talerico stated that there is an overarching rule that if the Federal Government causes the environmental contamination or pollution then it is their responsibility to pay for the remediation. Mr. Talerico stated that as a matter of fact, Wampum Lake is polluted and that there is a very strong chance that the contamination was caused by Fort Monmouth. Mr. Talerico stated that the chemicals used and the experiments performed at Fort Monmouth were dumped into the water which made their way to Wampum Lake. Mr. Talerico asked that FMERA be aware that Eatontown's Environmental Commission is looking for grants for an environmental study of Wampum Lake. Mr. Talerico noted that some of the grants require matching funds from the Borough of Eatontown, and it is unfair to the residents of Eatontown to finance any matching funds to perform a study only to prove that there is pollution. Mr. Talerico stated that it would be appreciated if FMERA was sympathetic to the cause.

Phil Welch of Lincroft and the Monmouth Advocacy Team asked about the exclusive negotiations regarding Parcel E. Mr. Welch asked if the weights of each scoring criteria were included in the RFOTP. Mr. Gorman answered that in the RFOTP the scoring criteria was listed in priority order. Mr. Welch stated that the problem with that is that the bidders did not understand how they were being evaluated and if they did have an understanding they would not have submitted a proposal. Mr. Welch stated that there is an appearance, if not a reality, of biasing the results of the evaluations, which is

really serious. Mr. Welch also stated that while it is one thing to do it for Parcel E, there will be a problem if this continues and the bidders do not know how the weightings or the criteria are going to take place. Mr. Welch stated that the weights of evaluation criteria should be specified as clearly as possible so the best possible bids are received, and the process is as fair as possible. Mr. Gorman stated that the Authority shares Mr. Welch's objectives in getting the best bidders in order to facilitate the redevelopment of Fort Monmouth.

Mr. Welch also stated that the criteria for the Parcel E had at the very bottom of the list conformance with the Reuse Plan. Mr. Welch stated that if you start nibbling away at the edges of the plan then basically the integrity of the whole plan is called into question. Mr. Welch added that he understands that the economic conditions are different now than when the plan was put in place.

Tom Mahedy of Wall Township commented on the Board Actions stating that he continues to have very serious questions regarding CommVault and the process where the land was initially perceived for housing. Mr. Mahedy stated that now that CommVault is seeking this designation that money will not only be coming from Tinton Falls but also from the State for this multimillion dollar corporation. Mr. Mahedy stated that it is his understanding that the reasoning behind CommVault is the creation of new jobs which he finds insulting to the public when the company is only coming across town on the Fort property. Mr. Mahedy asked if CommVault would be seeking state funds. Mr. Gorman told Mr. Mahedy that he needs to contact both Tinton Falls and the State regarding funding and tax incentives as the tax incentives are not part of FMERA's business.

Mr. Mahedy asked for the name of the company who is requesting the increase in fees to complete the required Geographic Information System (GIS) mapping at the Fort. Mr. Steadman stated that it is the current contract for Engineering with Matrix Design Group, and the request for an increase in fees is because information that was provided to FMERA by the Army was not in digital form but was provided in paper copy creating a more labor intensive process. Mr. Mahedy asked for the amount that is being requested and was answered by Ms. Akerblom that the amount is \$40,330. Mr. Mahedy asked for the original amount of the Matrix contact and Ms. Akerblom answered that the original amount was \$865,900. Mr. Mahedy further asked what was the amount that was approved at the February Board meeting for an increase in funds to Matrix and Ms. Akerblom stated that the amount was \$54,000 and the original contract for the Business Plan, a different contract, was \$384,230. Mr. Mahedy asked the Board to vote no on the Board Action.

Mr. Mahedy stated that Matrix is given contracts across the country and that they are opposed to an Environmental Impact Statement.

J.J. Mistretta of Freehold stated that she agreed with everything that was said by all of the previous speakers. Ms. Mistretta stated that when Fort Monmouth was closed that the tax payers were screwed and the project is turning around too quickly with no transparency. Ms. Mistretta stated that affordable housing is needed for the people who will be moving into the area and if the Authority continues to put affordable housing at the end of the redevelopment project then it will never happen. Ms. Mistretta stated that she never believes that when the Government states that they will clean up a project, that they never do and the taxpayers are left paying the bill.

VII. EXECUTIVE DIRECTOR'S REPORT

1. Update on Meetings with Army Representatives.

The Army remains the owner of the former Fort Monmouth property until such time that title transfers to FMERA. As the property owner, the Army is an active participant in the land conveyance process. Therefore, FMERA staff continues its discussions with representatives of the Office of the Deputy Assistant Secretary of the Army for Installation and Housing related to the conveyance of the former Fort Monmouth property. Weekly conference calls are used to update the status of key issues. These discussions continue to establish a good working relationship with the Army that will result in a finalized Memorandum of Agreement (MOA) and Economic Development Conveyance (EDC) application.

Mr. Steadman stated with sadness that Mr. Odis Jones, Director of Real Estate, is resigning from FMERA and would be accepting a position as the Director of Economic Development in Cincinnati, OH.

2. Update on Negotiations for Clinic Parcel.

Odis Jones stated that in accordance with the Board of Directors' action at the February meeting of the Authority, the FMERA staff continues to negotiate with AcuteCare for a lease agreement, with an obligation to purchase, for the 16 acre Clinic Parcel in the Oceanport section of the former Fort Monmouth property. AcuteCare, a health services company, was the sole respondent to a Request for Bids for the Clinic Parcel. The FMERA staff anticipates bringing the lease agreement, with an obligation to purchase, before the Board of Directors for consideration at the April meeting of the Authority.

3. Update on Exclusive Negotiations for Parcel E.

Odis Jones stated that following the Board of Directors' action at the February meeting of the Authority, the FMERA staff has entered into exclusive negotiations, in accordance with the Authority's sales regulations, for a purchase/sale agreement with CommVault for Parcel E, a 55 acre tract in the Tinton Falls section of the former Fort Monmouth property. CommVault has signed the Exclusive Negotiations Agreement, and has provided an additional 10% deposit, in accordance with the Authority's sales regulations. CommVault, a software company, was one of four respondents to a Request for Offers to Purchase for Parcel E and was evaluated the highest. The FMERA staff anticipates bringing a purchase/sale agreement before the Board of Directors for consideration at the April meeting of the Authority. Mr. Steadman added that in the negotiations with CommVault there is discussion regarding a penalty for failing to create new jobs and a penalty for non-performance if certain aspects of the project are not performed in a particular timeframe.

4. Update on Proposed Plan Amendment Process.

Rick Harrison, Director of Facilities Planning, stated that the FMERA staff met with representatives from Eatontown, Oceanport and Tinton Falls on March 8 to discuss the proposed change to the Fort Monmouth Reuse and Redevelopment Plan, and to officially transmit the proposed plan amendment, starting the clock on the 45 day review period dictated by the FMERA Act. As stated previously in the evening, this plan amendment would allow, as an alternative, commercial development on Parcel E while moving the housing that was proposed on Parcel E in the Reuse and Redevelopment Plan to other areas of the Tinton Falls section of the former Fort Monmouth property. The 45 day review will expire on April 23,

2012. In accordance with the FMERA Act, each host municipality may provide a report with comments on the proposed plan amendment within this 45 day review period. Each municipality will determine how to gather any such comments, and members of the public should provide their comments directly to the host municipalities.

5. Update on FMERA Office Move to Fort Monmouth.

Rick Harrison stated that in the near future, FMERA will be issuing a Request for Proposals for a Design Build Contractor to upgrade the Fort Monmouth library, building #502, for use as the FMERA Office. FMERA hopes to occupy this space by the end of this summer. At such time, an access plan will be in place to enable access to the building by the public.

6. Update on NJEDA's Approval of a Memorandum of Understanding (MOU) with Monmouth County to work on a Comprehensive Economic Development Strategy (CEDS).

At the New Jersey Economic Development Authority's March 15, 2012 Meeting the Board approved an MOU with Monmouth County to work on a CEDS. A CEDS is an extensive planning process that involves detailed analysis of economic conditions, extensive stakeholder participation, and identification of challenges and opportunities in the subject region. The CEDS culminates in an action plan to address challenges and to capitalize on opportunities. Completion of a CEDS is a prerequisite for receiving USED A funding through many of its programs and federal appropriations for military installation closures which often are directed through USED A. The MOU establishes the parties' roles and responsibilities in connection with completing a CEDS, and the parties' funding and in-kind contributions toward completion of the study. The CEDS is being undertaken in an effort to advance a strategy to pursue federal funding to support Fort Monmouth's redevelopment and the County's economic development vision. The NJEDA's match contribution is to provide \$25,000 of in-kind support and \$25,000 of funding.

7. Action Items for Next Month.

- Continued work with Matrix Design Group and the N.J. Department of Environmental Protection to identify environmental issues of concern. Mr. Steadman reported that the Department of Defense (DOD) publishes a report regarding all of the current conditions at all of the closed military bases around the country with amounts spent on environmental. The current report shows \$17 million in the budget for additional environmental work over the course of the next five years at Fort Monmouth.
- Continued work on the Notice of Interest (NOI) evaluation process
- FMERA anticipates issuing an RFP for a Master Broker/Real Estate Consultant in the next 30 days
- FMERA anticipates issuing Requests for Offer to Purchase (RFOTP) for Parcel C (mixed use), C-1 (housing), Golf Course (golf course and related uses) and Howard Commons (housing) as soon as the Master Broker/Real Estate Consultant has been selected
- Continued meetings and tours with the interested prospective employers and investors
- Continued outreach to our stakeholders
- Continued collaboration with our Trenton office on marketing and business development opportunities
- FMERA, EDA, and several groups within NJ are working on an RFP process to try and attract a world class university with applied science and a research park commercialization setting.

Mayor Tarantolo asked about the \$17 million in environmental funding and what are the guidelines for spending the money. Mr. Steadman stated that the Army has requirements under CERCLA regarding the cleanup in and outside the Fort property, if it is determined that the Army is responsible for contamination. Mr. Steadman stated that the money could be spent on studying and/or the cleanup of the property, based on the Army's own plans.

Mayor Tarantolo asked if the monies would include looking into the operations on Fort Monmouth that could have conceivably caused contamination outside of the Fort. Mr. Steadman stated that there is a very strict requirement under CERCLA on how the money can be spent. Mr. Steadman will ask BRAC attorney David Knisely, for clarification on what the monies can be used for and provide an update at the next Environmental Staff Advisory Committee Meeting. Mayor Tarantolo asked for clarification on February's Executive Director's Report about the opening of Joe's Bar and Grille at the Suneagles Golf Course. Mayor Tarantolo asked what the process was for Joe's Bar and Grille obtaining a Certificate of Occupancy (CO). Mayor Tarantolo asked if the owners needed to go to the municipality (Eatontown) to get permits for construction or upgrades and asked what the process is for buyers or lessees to take control of a property. Rick Harrison stated that once the property is under State control the Department of Community Affairs (DCA) will provide inspections for FMERA. Mayor Tarantolo recommended that each of the municipalities, where the property is located, have the ability to provide inspection services.

COMMITTEE REPORTS

a) AUDIT COMMITTEE (MICHAEL MAHON, ACTING CHAIRMAN):

Michael Mahon stated that the Audit Committee did not meet this month. Mr. Mahon stated that at the next meeting on April 17th, the Committee will discuss the status of the 2011 Audit and FMERA's internal controls.

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

James Gorman stated that the Real Estate Committee met on Wednesday, March 14th at the FMERA Office. Mr. Gorman stated that the Committee had a full agenda which included:

- Discussion regarding the Tinton Falls Area in Need of Redevelopment Consent Request
- Update on exclusive negotiations with CommVault for the sale of Parcel E
- Update on continued negotiations with AcuteCare for the lease, with obligation to purchase, of the Clinic Parcel
- Update on the Proposed Plan Amendment Process
- Update on the Memorandum of Agreement with the U.S. Army and the Economic Development Conveyance application
- Discussion regarding the homeless accommodation obligations for the Fort property
- Continued discussion of the Housing Staff Advisory Committee's Housing Guidelines

Mr. Gorman stated that the Committee members had a healthy discussion regarding the Tinton Falls Area in Need of Redevelopment Consent Request, are satisfied that the Committees questions have been answered, and are comfortable individually recommending approval of the action to the full Board of Directors. Mr. Gorman stated that the Committee will meet again in April and the Purchase/Sale Agreement for Parcel E and Lease/Purchase Agreement for the Clinic Parcel are expected to be on the agenda for the Committee's review.

Mayor Tarantolo stated that there is a process regarding eminent domain in that if a municipality engages in a redevelopment zone proposal there are certain guidelines that must be adhered to which are provided by the State. Mayor Tarantolo asked if the same guidelines apply to the Authority regarding eminent domain in an area of redevelopment. Bruce Steadman explained that there is a two-step process that must be achieved by Tinton Falls. The first step is the redevelopment study to determine if the area is in need of redevelopment under the NJ Local Redevelopment and Housing Law, and the second step is the redevelopment plan based solely on the 55 acres to be used by Commvault. This is up to Tinton Falls who would have to come back to the Board for approval for the Redevelopment Plan. Mr. Steadman stated that the Authority's land use regulations will provide language to ensure that FMERA's land use regulations supersede those of Tinton Falls in the Redevelopment Plan.

Mayor Tarantolo asked if Tinton Falls will be taking the lead. DAG Ed Pillsbury explained that Tinton Falls initiates the process using the Local Redevelopment and Housing Law and then according to FMERA statute, FMERA overlays or merges, a role for FMERA in different steps of the process.

- c) ENVIRONMENTAL STAFF ADVISORY COMMITTEE (DAVID SWEENEY - NJDEP): David Sweeney noted that the Environmental Staff Advisory Committee did not meet this month.
- d) HISTORICAL PRESERVATION STAFF ADVISORY COMMITTEE (BRUCE STEADMAN, FMERA): Bruce Steadman noted that the Committee did not meet this month, but plans to meet in April.
- e) HOUSING STAFF ADVISORY COMMITTEE (CHARLES RICHMAN, DCA): Mr. Richman noted that the Committee met on February 27 at the FMERA Office. Mr. Richman stated that the Committee met with the Authority's planner, Phillips Preiss Grygiel (PPG), to discuss the parcel sale to CommVault and whether there was sufficient land available within Tinton Falls to accommodate, at an economic or feasible level, the remaining 288 housing units that would have to be built. Mr. Richman stated that there was sufficient potential to have the 20% of affordable housing set aside within the new land configuration. Mr. Richman continued by stating that the Committee discussed the creation of jobs as the first priority as this creates a greater demand on housing which causes an increase in housing demand. Mr. Richman stated that the FMERA staff will meet with the Committee after the 45-day comment period to discuss the comments submitted by the municipalities regarding the proposed amendment to the Reuse Plan.
- f) VETERANS STAFF ADVISORY COMMITTEE (FREEHOLDER LILLIAN BURRY): Freeholder Burry stated that the Committee did not meet this month. Mrs. Burry stated she has had meetings with several veteran committees and groups regarding their strong interest in the reuse of the Fort property. Mrs. Burry stated that the committees would like to eventually provide a hub on the property for veterans to provide healthcare, schooling, housing, and many other services.

VIII. Board Actions

The next item before the Board was the Consideration of Consent to the Designation by Tinton Falls of the entire Tinton Falls Area within Fort Monmouth as an Area in Need of Redevelopment and to the Approval of Guidelines to Inform the Board When Considering Proposed Designations.

Bruce Steadman read the resolution which is attached hereto and marked Exhibit 1.

A motion was made to approve by MAYOR TARANTOLO and was seconded by TIM LIZURA.

Tim Lizura asked for clarification that there will be a Redevelopment Plan that will be presented to the Board for final approval. Mr. Gorman stated that yes, a redevelopment plan will go before the Board for final review and approval; that the action tonight is the first step in a two step process for the Redevelopment Study only.

Dr. Robert Lucky stated that this is for approval of a study, but once the area is designated as an area of redevelopment then the whole thing is moot if it does not proceed beyond the study. Ed Pillsbury stated that the designation of the area for redevelopment is a required first foundational step to go down the path. Mr. Pillsbury stated that this does not vest any development rights or approve any projects in and of itself. Mr. Pillsbury further stated that the subsequent step that has more significance would be approval of a redevelopment plan within the area. Mr. Pillsbury stated that tonight's action does not change anything about the property but makes it ripe for a redevelopment plan under the Local Redevelopment and Housing Law if parties choose to go that way.

Dr. Lucky asked who is authorized to perform the redevelopment plan. Bruce Steadman stated Tinton Falls. Dr. Lucky stated that it would be very difficult for the Board to turn down a plan once it was put forth by Tinton Falls.

Tim Lizura asked if the redevelopment plan can be for all or a portion of the area. Ed Pillsbury stated that the area can be for specific portions of the area or for the entire area. Bruce Steadman stated that for this particular area, if there was a redevelopment plan, it is believed it will be for the 55 acres of CommVault's apparent use. Mr. Steadman stated that the redevelopment plan is not effective until it is approved by the Board.

Gerry Turning stated that that Tinton Falls has recognized the entire area within Tinton Falls as an area in need of redevelopment.

Tim Lizura asked if the Board Action requires a simple or super majority vote for the redevelopment study. Mr. Gorman stated that it is a super majority vote and roll call would be taken. Tim Lizura asked if a simple or super majority vote is required for approval of the redevelopment plan. Ed Pillsbury stated that it will be a simple majority vote based on FMERA's enabling statute.

Bruce Steadman conducted a Roll Call Vote:

NAME	YES	NO
James V. Gorman	X	
Tim Lizura	X	
Brandon Minde	X	
Dr. Robert Lucky	X	
Lillian Burry	X	
Gerald Tarantolo	X	
Gerald Turning	X	
Michael Mahon	X	

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

The next item before the Board was the Consideration of Approval of an Increase in Fees for the Planning, Architectural and Engineering Consultant for Unanticipated Costs to Complete the Required Geographic Information System (GIS) Mapping of Fort Monmouth Infrastructure and Utility Systems.

Bruce Steadman read the resolution which is attached hereto and marked Exhibit 2.

A motion was made to approve by TIM LIZURA and was seconded by MAYOR TARANTOLO.

Mayor Mahon stated that he agreed with some of the public comments that were made regarding the additional fees to perform the work for the GIS and that the original fees should have included the work. Bruce Steadman stated that there has been discussion and negotiations with Matrix and it was anticipated upon submission of the proposal that there would be a digital format for this work which would then be integrated into the GIS system. Mr. Steadman stated that without digital format there is an additional amount of work that was not anticipated at that time, and needs to be completed aside from when the initial contract was completed. Mr. Steadman stated that the original request for additional funds was twice the amount requested and that it has been negotiated down. Mr. Steadman stated that FMERA is also utilizing other aspects in order to satisfy the obligations of the EDC and MOA to try to reduce costs.

Motion to Approve: TIM LIZURA Second: MAYOR TARANTOLO
AYes: 7 No: 1

Mayor Mahon voted no.

IX. Other Items

Bruce Steadman stated that Board is considering rescheduling the April 18th Board Meeting due to scheduling conflicts.

Mayor Mahon stated that on March 13th, representatives from the Borough of Oceanport met with representatives from AcuteCare Health Care to share and discuss their specific plans and proposals for the former Patterson Army Health Clinic.

Mayor Tarantolo stated that at the December Board Meeting, concerns regarding Howard Commons and the conditions of the units were raised. Mr. Tarantolo stated that a letter was sent from the Borough of Eatontown to the Federal Government asking that Howard Commons be torn down. Mayor Tarantolo stated that the Army did perform some cleanup but the area has now reverted back to the original bad and unsafe conditions. Mayor Tarantolo stated that the Army did not agree to the demolition of the units, and the Army stated that it is not a BRAC function to demolish the housing.

X. Public Comment

J.J. Mistretta of Freehold stated that some of the issues discussed during the Board meeting were very scary and that absolute power is very scary with regards to rezoning, permits and the liability factor. Ms. Mistretta stated that over the last few months the real estate market has heated up, though prices are still depressed, properties are moving.

Sarah Breslow of Eatontown stated that she read in the Asbury Park Press that Bruce Springsteen has been utilizing the Fort theatre for rehearsal. Ms. Breslow asked if her family can use the bowling alley for a family reunion. Ms. Breslow asked who gave permission to Mr. Springsteen to use the theatre. Bruce Steadman stated that over the years Mr. Springsteen has had a long standing relationship with the Army and has used the theatre for many years and he goes directly to the Army for permission. FMERA was notified that there would be some type of activity in the building.

Bob English stated that he was following up on Mayor Tarantolo's concerns regarding Howard Commons and asked what is the best case scenario regarding the demolition of Howard Commons and is the target for demolition still by the end of 2012. Bruce Steadman stated that the transfer of property is about three months behind due to issues with the Army. Mr. Steadman stated that the plan is that there will still be a Request for Proposals issued sometime in early summer or late fall. The demolition process would be initiated after the close of a sale.

Anthony Talerico of Eatontown stated that he agreed with Bob English and Mayor Tarantolo regarding Howard Commons. Mr. Talerico asked if there was ever any thought for the towns to inspect buildings which are purchased within the Borough. Mr. Harrison stated that once the property and the deed are transferred to a buyer, then the Borough has the ability to inspect and permit. Mr. Talerico asked if a borough finds a major problem to the property that the State allowed and the Federal Government did not cure, what recourse would the municipality have. Mr. Richman stated that he was sure that the code officials from the Department of Community Affairs will do an adequate job and he would not expect any major issues from the code officials.

Frank Mancini of Waretown stated that he would like to share a proposal with the Executive Director and appropriate parties. Mr. Steadman asked Mr. Mansine to contact his office to set up a meeting.

Tom Mahedy of Wall Township stated that Bruce Springsteen could have paid for the use of the Fort and the towns could use the money. Mr. Gorman stated that Mr. Springsteen's agreement is with the Army. Mr. Mahedy stated that he had concerns about an article regarding pushing the NJDEP's waiver rule which gives the priority for economic gain over environmental protection. Mr. Mahedy stated that representatives from the NJDEP do not listen to the Environmental Staff Advisory Committee members. Mr. Mahedy stated that a gag order was imposed on him at a Committee Meeting and that David Sweeney of the NJDEP take a stronger stance on the human health and the

environment. Mr. Steadman clarified for Mr. Sweeney's benefit, as he is new to the Board of Directors, that Mr. Mahedy has used the term gag rule at least five previous times at Board meetings, to inaccurately describe a Committee request for confidentiality. There was never a gag order imposed, but there was an agreement of confidentiality related to job-producing projects, and not to any environmental issues, that Committee members, except for Mr. Mahedy, agreed to.

Mr. Mahedy stated that the lease rules which were adopted are being tailored to certain corporations. Mr. Mahedy stated that the Patterson Army Hospital is being stolen from the public to become a private entity and should remain public. Mr. Mahedy stated that FMERA's Office move to the Fort will deny the public access to the decision making process and meetings being conducted. Mr. Mahedy stated that the public is being told not to be concerned about the monies and incentives being given to the corporations who are interested in the Fort property land that these monies are the tax payer's money and not the money of the State.

Mr. Mahedy asked for clarification regarding the University project and that the public is being told that it is related to applied science. Mr. Steadman stated that he had nothing further to address regarding the project and more information is forth coming. Mr. Mahedy stated that the police should not be called up to stop the public's comments.

Ben Forest of New Jersey Defensive Clear Water and New Jersey Environmental Federation stated that the Wampum Lake issues are of concern and he appreciates that the Authority has been advised is taking action regarding the situation. Mr. Forest stated that he appreciated the discussions regarding Matrix in that he had previously expressed some concerns and reservation when Matrix received their first contract. He stated that while Matrix does play an important role, it would have been his preference to have a local engineering firm based in New Jersey awarded the contract.

The next item on the Agenda was to adjourn the Public Session of the meeting and enter into Executive Session - **OPMA Exemption N.J.S.A. 10:4-12b(5) and (7): Pending Real Estate Negotiations and Attorney-Client Privileged Matters.**

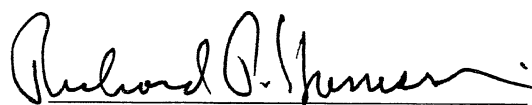
A motion was made to enter into Executive Session by BRANDON MINDE seconded by MAYOR MAHON and unanimously approved by all voting members.

There being no further business in Executive Session a motion was to go back into Public Session by MAYOR MAHON, seconded by TIM LIZURA and unanimously approved by all voting members.

The Board returned to public session.

There being no further business, on a motion by Mayor Mahon seconded by Tim Lizura and unanimously approved by all voting members present the meeting was adjourned at 9:20pm.

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



Richard Harrison- Assistant Secretary

ADOPTED
March 21, 2012

Resolution Regarding
**the Fort Monmouth Economic Revitalization Authority Consenting to
the Designation of
Block 101, Lot 1 in the Borough of Tinton Falls,
County of Monmouth, New Jersey
As an Area in Need of Redevelopment**

WHEREAS, pursuant to the *Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq.* (the "**LRHL**"), the Tinton Falls Borough Council ("**Borough Council**"), with the prior knowledge of the Fort Monmouth Economic Revitalization Authority (the "**Authority**"), approved Resolution No. R. 11-360 to direct the Tinton Falls Planning Board (the "**Planning Board**") to conduct an investigation to determine whether the real property encompassing the entire area of Tinton Falls within the former Fort Monmouth and identified on the tax maps of the Borough as Block 101, Lot 1 (the "**Property**") meets the criteria set forth in *N.J.S.A. 40A:12A-5* for designation as an area in need of redevelopment; and

WHEREAS, the Planning Board, in accord with the requirements of the LRHL, conducted an investigative hearing on February 22, 2012 to determine whether the Property should be designated as an area in need of redevelopment; and

WHEREAS, as part of the investigation, the Planning Board reviewed the recommendations set forth in the *Redevelopment Study for the Former Fort Monmouth Properties in the Borough of Tinton Falls, New Jersey*, prepared by Phillips Preiss Grygiel, LLC, and dated January 2012 (the "**Study**"); and

WHEREAS, the Planning Board unanimously passed a resolution dated February 22, 2012, recommending that the Borough Council designate the Property as an area in need of redevelopment; and

WHEREAS, the Borough Council, subject to the consent of the Authority, designated the Property as an area in need of redevelopment by Resolution No. R-12-089, a copy of which is annexed hereto as **Exhibit A**, and which includes, among other things, copies of the Study and of the Planning Board Resolution; and

WHEREAS, because the Property is located within the metes and bounds of Fort Monmouth, the Borough Clerk forwarded a copy of Resolution No. R-12-089 and of the Study to the Authority for its review and decision whether to consent to the designation of the Property as an area in need of redevelopment; and

WHEREAS, after careful review of the Study, the Authority now desires to consent to the Borough's designation of the Property as an area in need of redevelopment.

NOW, THEREFORE, BE IT RESOLVED by the Fort Monmouth Economic Revitalization Authority as follows:

1. For the reasons expressed in the attached Board memorandum, the Authority hereby consents to the designation of the Property as an area in need of redevelopment.
2. The Authority authorizes the Executive Director to take all necessary actions to effectuate the consent of the Authority to the designation of the Property as an area in need of redevelopment.
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.

March 21, 2012

Exhibit 1

ADOPTED
March 21, 2012

Resolution Regarding the
**Approval of an Increase in Fees for the
Planning, Architectural and Engineering Consultant**

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

WHEREAS, on August 18, 2010, the Fort Monmouth Economic Revitalization and Planning Authority Board approved the engagement of Matrix Design Group, Denver, CO as the Planning Architectural and Engineering Consultant as the Planning, Engineering and Architectural Consultants to perform the scope of services set forth in the Request for Proposals issued on June 10, 2010; and

WHEREAS, geographical information system (GIS) mapping was included in the scope of services of the Request for Proposals; and

WHEREAS, according to the scope of services the Army’s existing conditions infrastructure, and utility data was to be provided to the consultants by Army in a usable digital format, such as computer aided design (CAD), and/or geographical information system (GIS). The information was not made available to the consultants in said digital compatible format as represented; and

WHEREAS, the customized geographical information system (GIS) platform provides an effective and efficient means for visualizing proposed improvements, as well as being a powerful data analysis tool for understanding the utility infrastructure condition and potential redevelopment issues associated with implementing the Plan. Without this tool, researching specific Fort infrastructure in detail requires manual searching through the Army’s extensive map library, pulling the appropriate paper map, and then copying or scanning the map into a digital format for viewing, analyzing, designing, and electronically attaching to other documents and/or reports, all of which adds significant time and cost to each request; and

WHEREAS, FMERA staff asked the consultants to provide a maximum fee for the additional work. The additional fee in the amount of \$40,330 represents 4.7% of the initial approved fee. The additional fee has been thoroughly reviewed by staff and discussed with the consultants.

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached Board memorandum, the Authority approves the additional Planning, Architectural and Engineering Consultant Services costs of \$40,330, of which \$36,297 is to be funded through an Office of Economic Adjustment grant amendment and \$4,033 is the local match.

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: March 21, 2012

EXHIBIT 2

ADOPTED
March 21, 2012

Resolution Regarding
Entering into Executive Session
To Discuss Pending Real Estate Negotiations
and Attorney-Client Privileged Matters

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

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

WHEREAS, pursuant to the Open Public Meetings Act, specifically N.J.S.A. 10:4-12(5), a public body may enter into executive session to discuss “[a]ny matter involving the purchase, lease or acquisition of real property with public funds . . . where it could adversely affect the public interest if discussion of such matters were disclosed”; and

WHEREAS, pursuant to the Open Public Meetings Act, specifically N.J.S.A. 10:4-12(7), a public body may enter into executive session to discuss “[a]ny pending or anticipated . . . contract negotiation other than [a collective bargaining agreement] in which the public body is, or may become a party” and also to discuss “[a]ny matters falling within the attorney-client privilege, to the extent that confidentiality is required in order for the attorney to exercise his ethical duties as a lawyer”; and

WHEREAS, on February 15, 2012, the Authority approved entering into Exclusive Negotiations with CommVault for a purchase/sale agreement for Parcel E on the former Fort Monmouth property; and

WHEREAS, on February 15, 2012 the Authority approved continuing negotiations with AcuteCare and entering into a non-binding letter of intent for a lease/purchase agreement for the Clinic Parcel on the former Fort Monmouth property; and

WHEREAS, on February 15, 2012 the Authority approved the transmittal of a proposed plan change amendment for Parcel E on the former Fort Monmouth property, to the three host municipalities; and

WHEREAS, the Authority seeks the Attorney General’s Office advice that is subject to attorney-client privilege on the pending real estate negotiations and proposed plan amendment; and

WHEREAS, the Authority desires to enter into executive session to discuss pending negotiations concerning contracts to transfer real property that will be owned by the Authority and the Authority is a party to such contract.

THEREFORE, BE IT RESOLVED THAT:

1. In accordance with the Open Public Meetings Act, the Authority shall go into executive session for the purpose of discussing pending real estate negotiations in which the Authority is a party to receive attorney-client privileged advice on such matter.

2. The Authority does not anticipate that any action will be taken but does anticipate that the minutes of the executive session will become available to the public after such time as the subject purchase, lease or acquisition negotiations are concluded and the Authority determines that the need for confidentiality no longer exists and the matters discussed can be disclosed.

Dated: March 21, 2012

EXHIBIT 3



MEMORANDUM

TO: Members of the Board of Directors

FROM: Bruce Steadman
Executive Director

DATE: April 24, 2012

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 Status of the Federal Grant and FMERA Financials; Update on Meetings with Army Representatives; Update on Proposed Plan Amendment Process; Update on FMERA Office Move to Fort Monmouth; Update on Master Broker/Real Estate Consultant Request for Proposals; Update on Land Use Regulations and Action Items for Next Month.

Treasurer's Report.

Federal Grant Status

1. Existing Grants.

The Authority's grant amendments for the existing grants which were scheduled to close March 31, 2012 have been approved by the Office of Economic Adjustment (OEA). The extension of the grants through June 30, 2012 will allow for completion of the approved contractual items funded through the grants.

2. New Grant Application.

A new Grant Application has been submitted to OEA in support of the Authority's operations. The funds being requested from the OEA are consistent with the budget approved by the Authority's Board for fiscal year 2012 and presented to the State's Office of Management and Budget, in support of the Authority's appropriation request for the fiscal year ending June 30, 2013.

3. Audit.

Field work on the audit of the Authority's 2011 operations has been completed.

4. Budget.

Spending continues to be strictly monitored.

Executive Director's Report.

1. Update on Meetings with Army Representatives.

The Army remains the owner of the former Fort Monmouth property until such time that title transfers to FMERA. As the property owner, the Army is an active participant in the land conveyance process. Therefore, FMERA staff continues its discussions with representatives of the Office of the Deputy Assistant Secretary of the Army for Installation and Housing related to the conveyance of the former Fort Monmouth property. Weekly conference calls are used to update the status of key issues. These discussions continue to establish a good working relationship with the Army and have resulted in a finalized Memorandum of Agreement (MOA) that the Board of Directors will consider approving at the April 24, 2012 meeting of the Authority.

2. Update on Proposed Plan Amendment Process.

The FMERA staff met with representatives from Eatontown, Oceanport and Tinton Falls on March 8, 2012 to officially transmit the proposed plan amendment and to discuss the 45 day review period. The proposed amendment to the Fort Monmouth Reuse and Redevelopment Plan would allow, as an alternative, commercial development on Parcel E while moving the housing that was proposed on Parcel E in the Reuse and Redevelopment Plan to other areas of the Tinton Falls section of the former Fort Monmouth property. The 45 day review period expired on April 23, 2012. In accordance with the FMERA Act, each host municipality may provide a report with comments on the proposed plan amendment within the 45 day review period. The proposed plan amendment and the reports received from the municipalities are expected to be brought to the FMERA Board of Directors for consideration at the May meeting of the Authority.

3. Update on FMERA Office Move to Fort Monmouth.

FMERA issued a publically advertised Design-Build Request for Proposals on March 29, 2012 for Building 502, the former Post Library, on the former Fort Monmouth property. A mandatory site visit was held on April 5, 2012 and a mandatory pre-proposal conference was held at the FMERA Office on April 9, 2012. Proposals are due by April 27, 2012 at noon. Building 502 will be converted into office space that the Authority hopes to occupy at the end of the summer. When the Authority office moves to the former Fort Monmouth property, there will be a system in place to provide the public with access to the office.

4. Update on Master Broker/Real Estate Consultant Request for Proposals.

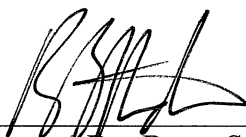
FMERA issued a publically advertised Request for Proposals for a Master Broker/Real Estate Consultant on Monday, April 16, 2012. A mandatory pre-proposal conference will be held on April 26, 2012. Proposals are due by May 11, 2012 at noon. The Master Broker/Real Estate Consultant will work collaboratively with the FMERA staff to help market, sell and lease the former Fort Monmouth property.

5. Update on Land Use Regulations.

Authority staff has been working with the New Jersey Attorney General's Office, the Authority's Outside Counsel, and Phillips Preiss Grygiel (PPG), the Authority's Planning Consultant to draft the land use regulations for the former Fort Monmouth property. PPG is finalizing the land use regulations, with input from these parties. It is anticipated that the regulations will be discussed at the June FMERA Board Meeting. Establishing land use regulations for the former Fort Monmouth property will create greater transparency and clarity in the redevelopment process.

6. Action Items for Next Month.

- Continued work with Matrix Design Group and the N.J. Department of Environmental Protection to identify environmental issues of concern
- Continued work on the Notice of Interest (NOI) evaluation process
- FMERA anticipates issuing Requests for Offer to Purchase (RFOTP) for Parcel C (mixed use), C-1 (housing), Golf Course (golf course and related uses) and Howard Commons (housing) as soon as the Master Broker/Real Estate Consultant has been selected
- Continued meetings and tours with the interested prospective employers and investors
- Continued outreach to our stakeholders
- Continued collaboration with our Trenton office on marketing and business development opportunities



Approved By: Bruce Steadman

Prepared by: Katie Hodes

ADOPTED
April 24, 2012

Resolution Regarding the
Revised Memorandum of Agreement (MOA) with the U.S. Army

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

WHEREAS, section 2(a) of the Act states that “[t]he closure and revitalization of Fort Monmouth is a matter of great concern for the host municipalities of Eatontown, Oceanport, and Tinton Falls; for Monmouth County; and for the State of New Jersey”; and

WHEREAS, in section 9(b) of the Act, the Authority is given the power, “[a]s designated and empowered as the ‘local redevelopment authority’ for Fort Monmouth for all purposes of the Defense Base Closure and Realignment Act of 1990, Pub.L.101-510 (*10 U.S.C. § 2687*), and, in that capacity, to enter into agreements with the federal government, State departments, agencies or authorities, the county, the host municipalities, or private parties;” and

WHEREAS, in section 9(e) of the Act, the Authority is empowered “[t]o acquire or contract to acquire . . . the project area”; and

WHEREAS, Fort Monmouth closed on September 15, 2011; and

WHEREAS, the U.S. Army owns the Fort Monmouth property; and

WHEREAS, the MOA contains the binding terms of the Economic Development Conveyance of certain Fort Monmouth property by the U.S. Army to FMERA; and

WHEREAS, at the December 21, 2011 Meeting of the Authority, the Board of Directors approved the Memorandum of Agreement (MOA) with the U.S. Army and the Economic Development Conveyance (EDC) application; and

WHEREAS, following the Board of Directors’ approval of the MOA in December negotiations between the U.S. Army and FMERA staff continued; and

WHEREAS, the MOA was revised to reflect the continued negotiations; and

WHEREAS, no substantive changes have been made to the EDC application, other than to reflect the changes to the MOA; and

WHEREAS, the Real Estate Committee reviewed the revised MOA and recommends it to the full Board of Directors for approval.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the MOA with the U.S. Army, on terms substantially consistent as those set forth in the attached memorandum and MOA with final terms acceptable to the Executive Director and the Attorney General's Office, and authorizes the Chairman of the Authority or the Executive Director to execute the document.

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: April 24, 2012
ATTACHMENTS

EXHIBIT 1



MEMORANDUM

TO: Members of the Board of Directors

FROM: Bruce Steadman
Executive Director

RE: Revised Memorandum of Agreement (MOA) with the U.S. Army

DATE: April 24, 2012

Request

I am requesting the Board of Directors' consideration of approval of the attached revised Memorandum of Agreement (MOA) with the U.S. Army. In addition, the Board of Directors is asked to authorize the Chairman of the Authority or the Executive Director to execute the MOA with the U.S. Army.

Background

At the December 21, 2011 Meeting of the Authority, the Board of Directors approved a Memorandum of Agreement (MOA) with the U.S. Army and authorized the Executive Director to execute the MOA. After the Board of Directors' approval in December, negotiations continued with the U.S. Army, and the MOA has been amended to reflect the continued negotiations. Therefore, the Board of Directors is asked to consider approval of the attached revised MOA, which highlights the changes made. The U.S. Army has committed to executing the document on or about May 16, 2012.

Fort Monmouth closed on September 15, 2011. However, the U.S. Army still owns the property and has authority to dispose of it in various manners, including by public auction. One of the U.S. Army's obligations is to obtain value from the property for the U.S. Treasury. However, in order to accomplish FMERA's charge, FMERA has been negotiating a MOA with the U.S. Army for FMERA to control the process by which the property is conveyed and redeveloped.

The essential component of Fort Monmouth's initial redevelopment effort is finalizing the MOA with the U.S. Army. The MOA is the binding document that contains the terms of the Economic Development Conveyance (EDC) of property from the U.S. Army to FMERA. The MOA establishes a timeline by which the U.S. Army will transfer property to FMERA and sets forth the responsibilities of each party. It must be executed by both FMERA and the U.S. Army before the EDC application can be formally accepted by the U.S. Army.

The MOA between FMERA and the U.S. Army sets forth a two phased property transfer. Phase 1 will include the transfer of nine parcels to FMERA by February 1, 2013. This includes six parcels in the Charles Wood Area (Golf Course, Howard Commons, Parcel C, Parcel C1, Parcel E, and Parcel F) and three parcels in the Main Post (Clinic Parcel, Marina and Parcel B). The Phase 2 transfer will include the balance of the Main Post. The two phased approach allows

FMERA to build momentum for the redevelopment effort by conveying Phase 1 parcels more expediently because the U.S. Army can transfer these properties more quickly, as it views them as less mission-critical areas.

The MOA also sets forth how FMERA and the U.S. Army will share sale proceeds. The U.S. Army's share of the proceeds will by law be deposited into the U.S. Treasury. Under Base Realignment and Closure (BRAC) law, FMERA's share of the Phase 1 proceeds, obtained until the end of the seventh year after the transfer of the last Phase 1 property, must be reinvested within 12 BRAC pre-determined expense categories. The subsequent phase will have its own seven-year period restriction. In addition, EDC regulations require an annual audit to confirm that lease and sale revenue has been reinvested appropriately.

The MOA also addresses environmental considerations, specifying that property cannot be transferred without the Finding Of Suitability to Transfer (FOST). Similarly, the Army cannot lease a property without a Finding Of Suitability to Lease (FOSL). The FOST and FOSL document the current environmental condition of each parcel, notes any usage restrictions, and how the U.S. Army has met its legal obligations under applicable environmental law. If there have been any contaminated areas, the FOST and FOSL will address the achievement of a No Further Action (NFA) status through the N.J. Department of Environmental Protection (NJDEP). Under CERCLA, the U.S. Army must meet all federal environmental standards based on the Army's use, before a property can be transferred. The NJDEP is an active participant in determining that the Army satisfies its environmental obligations. The U.S. Army is responsible for all environmental remediation on the property forever for contamination the U.S. Army has caused.

The MOA outlines other key points. It stipulates that FMERA must sell and lease all property through the competitive process contained in FMERA's regulations. However, please note that there are three no cost transfers that will occur in the Phase 1 EDC. The three transfers are the Pool, the Teen Center, and the Early Childhood Education Center all of which are in the Tinton Falls Section of the former Fort Monmouth property. The Pool and the Teen Center will be transferred to Monmouth County and the Early Childhood Center will be transferred to Tinton Falls. In addition, FMERA's obligation associated with Legally Binding Agreements (LBAs) for homeless assistance will be funded by payments from property purchasers. The Army will provide caretaking services for all of the former Fort Monmouth property until transfer of title or leasehold interest. The U.S. Army will also allow for lease opportunities prior to property transfer to generate early revenue.


The principal changes to the MOA since the Board approved the document in December are highlighted in the attachment.

As for the EDC Application that was approved by the Board in December in conjunction with the MOA, no substantive changes have been made other than to reflect the changes to the MOA.

The FMERA Real Estate Committee has reviewed the attached revised MOA with the U.S. Army and recommends it to the full Board of Directors for approval.

Recommendation

In summary, I am requesting the Board of Directors' consideration of approval of the revised Memorandum of Agreement (MOA) with the U.S. Army, on terms substantially consistent as those set forth above and in the attached MOA and with final terms acceptable to the Executive Director and the Attorney General's Office. In addition, the Board of Directors is asked to authorize the Chairman of the Authority or the Executive Director to execute and take other necessary action to effectuate the MOA with the U.S. Army and an EDC application consistent with the revised MOA.



Bruce Steadman
Executive Director

ATTACHMENT

Prepared by: Bruce Steadman



REVISED MEMORANDUM OF AGREEMENT (MOA) MEMO
ATTACHMENT

[The MOA that the preceding memo refers to has been removed from this full agenda, as it is part of negotiations to finalize the agreement.]

ADOPTED
April 24, 2012

Resolution Regarding the
Authorization for
the Fort Monmouth Economic Redevelopment Authority (FMERA)
to Enter into a Purchase-Sale Agreement
with CommVault for Parcel E

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

WHEREAS, the U.S. Army closed Fort Monmouth on September 15, 2011; and

WHEREAS, the U.S. Army is the owner of the Fort Monmouth Property; and

WHEREAS, in an effort to earn early proceeds, the Army has allowed for a 55 acre parcel in the Tinton Falls section of Fort Monmouth to be publically advertised for purchase; and

WHEREAS, on October 13, 2011 FMERA issued and publically advertised its first Request for Offers to Purchase (RFOTP) for Parcel E in accordance with the Authority’s Rules for the Sale of Real and Personal Property; and

WHEREAS, four proposals were received: one offer was for commercial development and three were for residential development; and

WHEREAS, all proposals were scored independently by an evaluation committee; and

WHEREAS, CommVault received the highest score; and

WHEREAS, as provided in the Authority’s Rules for the Sale of Real and Personal Property, the FMERA Staff determined during the evaluation process of the proposals received that there was a high likelihood that negotiating with CommVault will lead to an acceptable sales contract between FMERA and CommVault; and

WHEREAS, at the February Meeting of the Authority the Board of Directors authorized FMERA to enter in to exclusive negotiations with CommVault, in accordance with the Authority’s Sales Rules; and

WHEREAS, on March 20, 2012 CommVault executed the Exclusive Negotiations Agreement and provided an additional 10% deposit in accordance with the Authority’s Sales Rules; and

WHEREAS, the exclusive negotiations have resulted in the attached purchase-sale agreement; and

WHEREAS, the Real Estate Committee has reviewed the attached purchase-sale agreement and recommends it to the full Board of Directors for approval.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the selection of CommVault as the purchaser of Parcel E in the Tinton Falls Section of the former Fort Monmouth property pursuant to the October 13, 2011 Request for Offers to Purchase, on terms substantially consistent to those set forth in the attached memorandum and the attached purchase-sale agreement and with final terms acceptable to the Executive Director and the Attorney General's Office, and authorizes the Executive Director to execute the agreement and take any necessary actions to effectuate the selection of CommVault as the purchaser of Parcel E.

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: April 24, 2012
ATTACHMENTS

EXHIBIT 2



MEMORANDUM

TO: Members of the Board of Directors

FROM: Bruce Steadman
Executive Director

RE: Purchase-Sale Agreement with CommVault for Parcel E

DATE: April 24, 2012

Request

I am requesting the Board of Directors' consideration of approval of the attached purchase-sale agreement with CommVault for Parcel E in the Tinton Falls Section of the former Fort Monmouth property. In addition, the Board of Directors is asked to authorize the Executive Director to execute the purchase-sale agreement with CommVault.

Background

At the February 15, 2012 Meeting of the Authority, the Board of Directors authorized FMERA staff to enter into exclusive negotiations, in accordance with the Authority's Sales Rules, with CommVault for Parcel E in the Tinton Falls Section of the former Fort Monmouth property. In accordance with the Board of Directors' action, FMERA staff has been exclusively negotiating with CommVault, a software company, for a purchase-sale agreement for the 55 acre Parcel E. CommVault executed the Exclusive Negotiations Agreement on March 20, 2012 and provided an additional 10% deposit in accordance with the Authority's Sales Rules. The exclusive negotiations have resulted in the attached purchase-sale agreement.

On October 13, 2011 FMERA issued its first Request for Offers to Purchase (RFOTP). The RFOTP was issued for Parcel E. The RFOTP was publically advertised. It was advertised in the Asbury Park Press, the Star Ledger, posted to the FMERA and NJ Economic Development Authority (NJEDA) websites and the NJ State Business Portal. The response date for offers to purchase Parcel E was November 14, 2011, 31 days after the issuance of the RFOTP. On November 14, 2011, FMERA received four proposals from: American Properties at Monmouth, LLC; CommVault; Fieldstone Associates L.P.; and HovWest Land Acquisition LLC. The CommVault proposal was for commercial use; the three other proposals were for residential use.

An evaluation team of three NJEDA employees from the FMERA Office reviewed the proposals. The evaluation team submitted their scores for compilation and met on November 30, 2011. The team reviewed the scoring and agreed that the CommVault proposal had the highest score and that negotiations should proceed.

CommVault is publicly traded on the NASDAQ (CVLT), and currently employs approximately 1,370 worldwide with approximately 500 employed in Oceanport, New Jersey. If the Company is successful in acquiring the Property, CommVault proposes to construct on the Property its

worldwide headquarters consisting of up to 650,000 square feet of new high-tech office/research technology space in one or more buildings with associated site improvements, which will include a parking garage.

CommVault is presenting a transformative project that will provide benefits beyond the scope of its footprint. When fully built out, CommVault has indicated that it will have 2,500 employees at the site, up to 700 of which will be hired within three years after occupancy. The positive impact of a project of this magnitude on Fort Monmouth, and the surrounding area which lost 5,000 jobs at the Fort and thousands of other supporting jobs when the Army closed the base, will be significant.


As required by the FMERA Act, the proposed purchase-sale agreement also includes redevelopment obligations and recourse whereby CommVault agrees to develop the first phase of its project which consists of a Class A 200,000 to 250,000 square feet office/research facility. In the event CommVault fails to commence or complete construction in a timely manner (i.e. construction completed within than 60 months of title closing), FMERA is obligated to re-purchase Parcel E at a cost of 95% (or 97.5% if certain conditions are not timely satisfied) of CommVault's purchase price. CommVault also agrees to create 225 new jobs on Parcel E within 3 years of the first phase building being completed. If these jobs do not materialize, CommVault has agreed to remit \$3,000 per job, which obligation is secured by a \$675,000 mortgage. As a condition to closing title, CommVault and the host municipality also will enter into a redevelopment agreement that will incorporate the details of the local redevelopment plan for Parcel E. Both the redevelopment plan and the redevelopment agreement will need to be approved by FMERA.

In addition to successfully completing negotiations, if FMERA enters into a contract to sell Parcel E to CommVault it will be contingent upon satisfactorily completing the following: FMERA adopting an amendment to the Reuse and Redevelopment Plan that permits either commercial use or residential use on Parcel E; FMERA entering into a Memorandum of Agreement (MOA) with the Army; FMERA adopting land use regulations; the host municipality designating Parcel E as a redevelopment area and approving a redevelopment plan; CommVault and the host municipality entering into a redevelopment agreement; FMERA approving the local redevelopment plan and redevelopment agreement; NJEDA, in its role as statutory master redeveloper, approving the transaction; and CommVault and the host municipality entering into a P.I.L.O.T. agreement.

The FMERA Real Estate Committee has reviewed the attached purchase-sale agreement and recommends it to the full Board of Directors for approval.

Recommendation

In summary, I am requesting the Board of Directors' consideration of approval of the attached purchase-sale agreement with CommVault for Parcel E in the Tinton Falls Section of the former Fort Monmouth property on terms substantially consistent to those set forth above and in the attached agreement, and with final terms acceptable to the Executive Director and the Attorney General's Office. In addition, the Board of Directors is asked to authorize the Executive Director to execute and take other necessary action to effectuate the purchase-sale agreement with CommVault.



Bruce Steadman
Executive Director

ATTACHMENT: purchase-sale agreement
Prepared by: Bruce Steadman



PARCEL E MEMO
ATTACHMENT

[The purchase-sale agreement that the preceding memo refers to has been removed from this full agenda, as it is part of negotiations to finalize the contract.]